

Australian Labour Leader

*The Story of W. A. Holman
and the Labour Movement*

BY

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Abridged Edition



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PUBLISHER'S NOTE

In this new edition *Australian Labour Leader* has been slightly abridged for easier reading. The original will remain the standard work on the subject; but in its present form it is hoped that this valuable study will reach a wider and more general public.

PREFACE TO FIRST EDITION

I DESIRE to acknowledge with gratitude the help which I have received from many quarters.

Kenneth Prior and the *Sydney Bulletin* have permitted me to use much original material, including Holman's MSS of political memoirs. Some of these memoirs were published in the *Bulletin* itself; but I have also made use of much that was not published. For the sake of convenience, such extracts as have been quoted are referred to in footnotes as deriving from "Holman's unpublished reminiscences".

I wish also to express my thanks to many other Australian newspaper editors and proprietors from whom I have obtained information and material. In particular, I would thank Mr H. E. Boote, the editor of the *Australian Worker*.

Through the courtesy of Mrs Holman, the late Rt Hon. W. M. Hughes, Mr D. R. Hall, Mr Clifford Hay, Mr F. L. Edwards and others, I have obtained access to important letters, memoranda, newspaper cuttings and other material. Mr Frank Hinder has greatly obliged me with the jacket design.

The trustees of the Public and Mitchell Libraries, Mr Ifould (Principal Librarian), Mr Metcalfe (Deputy Principal Librarian), and Miss Leeson (Mitchell Librarian) have rendered assistance. I have been permitted to use several documents of importance which were deposited in the Mitchell Library by Mr Holman and were to be made available after his death only with the consent of Mrs Holman and Mr Ifould. I am also indebted to the Speaker, Clerk and Assistant Clerk of the Legislative Assembly, to the Parliamentary Librarian and his staff, and to the director of the National Art Gallery.

Messrs C. Hartley Grattan and Vance Palmer were good enough to read the book in manuscript form. Mr Grattan prepared a Foreword (as he did before in the case of my *Rum Rebellion*). However, his monograph is so elaborate and important in itself that it has been decided that its separate publication is more desirable.

At one period of Mr Holman's Premiership I held the position of special research officer after nomination thereto by the Sydney University authorities. Perhaps I should add that this work is not, in any sense whatever, an official or "family" biography of Holman.

Lastly, I must thank Mr Keith Brennan, Mr John Brennan of the New South Wales Bar, and Mr Percy Burgess for their loyal assistance.

H. V. EVATT.

Sydney, 1940.

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INTRODUCTION

FOR all practical purposes, the story of the rise and fall of William Arthur Holman, the London apprentice who at an early age became at once Australia's greatest orator, the most able organizer of its political Labour movement and one of Labour's two most brilliant leaders, is the history of the Australian Labour Party itself, i.e. from its formal inauguration in 1891 up to the time of its first spectacular successes between 1910 and the outbreak of the Great War in 1914. In that period of twenty-five years, the Labour Party gave significance and some coherence to the political life of a country which before 1890 had been controlled in the main by opportunists or demagogues. Early in the nineties, the trade unions came to believe that, on all occasions of serious industrial dispute and disturbance, and quite irrespective of the merits of the particular dispute, the Parliaments and Governments of the colonies would see to it that the full power of the State apparatus was exercised in favour of the employer class. This realist interpretation of the great strikes and lockouts of the early nineties synchronized with, if it was not caused by, a growing belief in the existence of a class struggle and a preference for the teachings of Marx over the previously favoured panacea of Henry George's single tax. The result was that the trade unions busied themselves in political action and Labour came to be directly represented in the legislature.

But difficulties of organization quickly arose. To what extent and by what methods were Labour members of Parliament to be subjected to the ultimate control of the rank and file of trade unions and Labour leagues? After the parliamentary Labour Party came to hold the balance of power between the two older political groups, it felt itself in a position to bargain for valuable concessions in the shape of labour and social legislation as payment for its support of one or other of the free trade and protectionist groups. But these tactics necessarily involved not only fiscal agnosticism on Labour's part, but absolute solidarity upon all questions which might involve the fate of an existing Government. Acute differences of opinion as to the right of representative conferences to control the parliamentary party caused an early split. At first the Labour Party was almost fawned on; but, so soon as it was found to be in earnest, it came to be bitterly attacked by the Press, and these attacks led in turn to some early and disastrous attempts to organize newspapers dedicated to Labour interests.

From the first, New South Wales, as the wealthiest and most powerful colony, was the focal point in the struggle of Australian Labour. There Labour became strongest and most "dangerous". As a consequence, some of the more intelligent of its opponents decided to join in the movement

for the establishment in Australia of a Federal Government. They calculated that, under a constitutional system that promised to be very conservative in character, the political power of the workers, which was concentrated in New South Wales, would be diluted and weakened over the larger electoral field of Australia where the voting power of New South Wales could be counterbalanced by industrially backward States. In its turn, Labour, while not opposing the establishment of a Federal Commonwealth, insisted upon democratizing the earlier schemes. After Federation it astounded its adversaries by employing its "balance of power" in the Federal Parliament in accordance with the technique already established in New South Wales. However, despite Federation, the general control of matters affecting labour, industry, employment and social affairs generally, still remained with the individual States, and this explains why New South Wales still continued to be the main centre of Labour's political activity and of its major internal crises.

Over a long period, Australian Labour succeeded in its policy of extracting substantial benefits and concessions from the particular groups which it decided to support in Parliament. Then the tendency of conservatism to assimilate political organization to class and economic divisions became evident, and the non-Labour groups gradually coalesced, with the result that the Labour Party changed its role from that of third party to that of "His Majesty's Opposition". As such, its new resolve was to obtain a clear popular majority and to hold office as a Government. But this bolder policy sometimes involved the sacrifice of principle to expediency. Thus the doctrine of "gradualism" was embraced in Australia long before the name acquired a general currency in England. In this way socialist objectives were thrust into the background and emphasis was laid upon the "fighting platform", consisting mainly of liberal, radical or reformist proposals which appealed to ever-widening circles, including the Irish Catholic and Australian Nationalist groups. In the end, for better or worse, Labour came into office both in New South Wales and in the Commonwealth.

But office often involved acute political crisis, and sometimes bitter personal struggles and rivalry. Which authority should, under the Federal Constitution, be competent to regulate hours and wages—the Commonwealth or the States? If the former, the higher standards of New South Wales might be levelled down to those of the less advanced States. If the latter, the weaker Labour parties in the less advanced States might disappear altogether. In New South Wales special problems confronted the first Labour Governments, problems analogous to those which later on disturbed the Labour Party in England. At the material time, the constitutional framework of New South Wales, like that of England both then and now, consisted of a Lower House elected on a popular franchise, upon which there was superimposed a nominee

Upper Chamber, the number of appointments to which, though unrestricted by law, was supposed to be limited by constitutional understandings of the vaguest character.

As a result of Upper House obstruction in New South Wales, it was contended by many that Australian Labour should concentrate upon obtaining or retaining power in the Federal sphere where the Upper House—the Senate—despite the equal representation in it of the six States, was at any rate elected by direct popular vote. When war broke out in 1914, Labour had reached no final solution of these great problems of party government. Then, except in Queensland, the war caused a catastrophic cessation of the progressive legislation which Australian Labour had initiated. During the war crisis, the political Labour parties were confused and split asunder by the Federal Labour Government's decision to refer to popular vote a proposal to compel oversea military service. After the split, Holman and W. M. Hughes not only left the party but adopted the expedient of leading "National" parties against Labour.

The departure of Holman and Hughes from the Labour organizations which they had so largely created and moulded raises a general problem affecting many social democratic organizations. Can there ever be real justification for the Labour leader leaving his party? What is the cause of such a disaster? Is it the attraction and temptation of high political office, or is it the result of too little or too much party discipline? Personal annoyances, disappointed hopes, unfulfilled ambitions play a more important part than is sometimes supposed; but so does justifiable or excusable anger at organizational interference in matters that should fairly be left to the discretion of the members or leaders of the party. Over-generalization is dangerous. For one thing, black treachery is most rare, and the disastrous results of division and split may be caused as much by lack of loyalty to a chosen leader as by the leader's failure to appreciate that his primary duty is to the working classes whose sacrifices have enabled the political organization to succeed. In the particular case, whatever the cause, the leader is lost. He rarely, if ever, returns to the party. Even then, the tragedy is incomplete. For the leader's socialist or radical background is seldom shifted and, for a time at least, he may succeed in repelling the attacks which his new conservative allies desire to make upon working-class legislation or standards. He may even appear to have "converted" such allies to Labour or radical ideas. But the pressure from the Right gradually increases and the leader must either surrender to its demands or go out of politics. If he remains, he may surrender with indecent readiness or perhaps with undying resentment. If he abandons politics, his fate is denunciation by his new allies of the Right, unsoftened by forgiveness from his old comrades of the Left. Finally comes the anni-

hilating realization that he should never have abandoned the cause which he first espoused. In that is the element of great tragedy.

It will be important to see whether, and to what extent, this general analysis conforms to the public life of W. A. Holman.

The history of parliamentary socialism in Australia is the history of socialism attempting to realize itself "practically" or, in other words, within the forms and framework of a "capitalist" society. Legal and constitutional checks and balances impede to some extent; but others may suggest that "practical" socialism, or to use Métin's significant phrase, "socialism *without* doctrines" is not socialism at all. From the particular case of the Australian Labour movement many generalizations will be attempted. But they will have to be taken subject to the emphasis and distortion produced by great individual personalities. What was achieved by Australian Labour was achieved by men of courage, imagination and integrity. Similarly, where there was failure, it was caused or contributed to by the weakness and errors of individuals including those who were led as well as those who were leaders.

The life story of William Arthur Holman illustrates all phases of the general development of the political Labour movement in Australia. It deserves inclusion in a case book which will illumine many aspects of social democratic leadership and which should include leaders so different as W. M. Hughes, Joseph Cook, Briand, Ramsay MacDonald, Snowden and J. A. Lyons. But if Holman's life sounds a serious "warning note", it also provides a very illustrious example. Perhaps his most important contribution to Australian life was his bold establishment of State industrial enterprises in competition with private concerns. On the whole, his experiments in this direction were very successful, and the propaganda pointing to a contrary conclusion will not bear close and impartial analysis. But Holman's genius was so peculiarly many-sided and his personality so pervasive that a full account of his career is absolutely necessary to any understanding of the history of the Australian nation during the vitally important formative years between 1890 and 1920.

CHAPTER I

THE YOUNG MIGRANT

At times the passengers on steamers bound to Australian ports from England are fairly representative of the Australian people. For instance, whenever the steamer is carrying back the Australian cricketers to their homeland, they may be said to formalize the extraordinary passion of Australians for that leisurely game. One such occasion was the voyage of the old Orient liner *Cuzco* in September 1888, for on board were the members of the Australian Eleven of that year. At times they were rather despondent at their failure to defeat England in the fight for the "ashes". It had been a collection of individual performers rather than a first-class combination. Still there was Percy McDonnell, who often scored centuries on big occasions; there were Ferris, the famous left-arm bowler who was destined to visit South Africa on active service and to die there, and his "opposite number" C. T. B. Turner, the great off-spinner. These two bowlers had collected wickets by the hundred, but that could not save the tour. There were Jack Worrall, fierce hitter, later to be as vigorous in his Press criticisms as in his hitting, Jack Lyons an even greater hitter, and Blackham, dubbed the "prince of wicket-keepers". As Boards of Control and restrictive contracts had not yet been thought of, Bannerman, the stonewaller, had his wife with him, and in the deck contests she showed herself able to use the cricket bat to good effect. The days of Anzac were far ahead, but the habits of some of the eleven foreshadowed those of the Australian soldiers of 1915. At every port bets were laid and determined by reference to the question whether the pilot's left or right leg first touched the *Cuzco's* deck.

But the Australian people of 1888 contained elements which were not so interested in cricket. By that time the migration of Irish to Australia had permanently impressed itself upon the country, and their numbers had risen to something between one-fifth and one-quarter of the total population. Of necessity the political influence of this important racial and religious element varied from colony to colony; but in New South Wales it was always of considerable importance. Later, through the powerful personality of one man, the Irish Catholics were to become a very powerful factor in the gradual rise to power of the political Labour Party.

That man, Patrick Moran, Cardinal and Roman Catholic Archbishop of Sydney, was also travelling to Australia from Rome on this voyage of the *Cuzco*. Three years earlier, after the death of Cardinal McCabe and at a time of acute agrarian agitation in Ireland, Archbishop Moran had been

favoured as the successor to the Dublin See, despite the rival claims of Dr Walsh of Maynooth. But a famous letter published by *United Ireland* and proving that Moran's name had been most strongly urged on the Vatican by the English Government acting through Errington, its unofficial ambassador, made Walsh's appointment to Dublin almost inevitable; and, in curious turn, through Moran's long association with Australia, this led to something of a working alliance between the most socialist of its political parties and (in theory) the least socialist of its churches.

To the presence of the Australian Eleven and of the great Catholic prelate on board the *Cuzco* was added that of a youth who was also destined to exert tremendous influence upon the political and social development of Australia. This youth was William Arthur Holman.

There were four members of the Holman family, and they were all passengers on the *Cuzco*. The father, William Holman senior, was an actor and actor-manager. Having had some stage experience in London, he was to become well-known throughout Australia. In the evening of his career, he became a teacher of elocution and a cultured exponent of the Shakespearian drama. His wife, professionally known as May Burney, was herself a gifted actress possessing a charming soprano voice. She and her husband were journeying to Australia under joint engagement to Brough and Boucicault, great names in the history of both the English and the Australian stage. After fulfilling her first Australian engagement, Mrs Holman subsequently joined the Wilson Barrett Company to take leading comedy and character parts. Her association with Barrett had commenced when he opened the Royal Court Theatre, London, where she acted with C. H. Hawtrey. Her last professional engagement in Australia was to be with the famous Jenny Lee.

With the Holmans were their two boys. The younger, Charles, had been apprenticed to the trade of cabinet-making, and soon turned out to be an excellent craftsman. He was always adept at using his hands, and in Australia never had difficulty in finding employment at his trade even in the years of great depression. In 1893, however, he joined the New Australia Movement, the members of which, utterly disgusted at the worsening condition of the working classes at home, left the country to found a new socialist community in the wilds of South America. Up to his death in 1932, Charles Holman returned to Australia only at lengthy intervals. On the *Cuzco* voyage he was in his sixteenth year.

The elder boy, William Arthur Holman, was seventeen at the time of the voyage, having been born on 4 August 1871. On 4 August 1914, the forty-third anniversary of his birth and the day on which Great Britain and Germany entered upon a state of war, Holman was to be the first minister of the Labour Government in New South Wales.

In the London home of the Holmans, fluency of diction, precision of speech and discrimination in taste were of some account. Their father knew almost every line of Shakespeare's tragedies, and at home took few pains to conceal such knowledge. But any consequent heaviness of atmosphere was fairly balanced by the delightful voice and ready wit of the mother.

William Arthur took many prizes at school. When the subject of "socialism" was selected for a prize essay he won it. He seemed peculiarly fitted to pursue a learned career, but bad times in the "profession" during the late eighties almost impoverished his parents and threw him into the furnace of industry. Both boys were apprenticed to cabinet-making at Messrs Howard and Sons of the Cleveland Works, Fitzroy Square, London. During his apprenticeship, William Arthur Holman's fate was no different from that of other youths who are thrown into industry at too early an age. He rose at five in the morning, reached home at seven at night and, after a hurried meal, tried to satisfy his craving for education by attending night classes and meetings of literary societies. His mother had been opposed to his leaving school and visited the works to inquire about his progress. The foreman begged her to take William away. "He is always dreaming," he said. "He will never make a mechanic. He destroys more good wood than enough; but he is so amiable that I have not the heart to rebuke him. Now Charlie here is a born mechanic. He has fingers where the other boy has brains."

But in London, in England, the prospect of a secure or happy and useful life for the Holmans and their boys seemed never to improve. It was almost conceded that the "industrial organizations which had yielded rent, interest and profits on a stupendous scale, had failed to provide a decent livelihood and tolerable conditions for a majority of the inhabitants of Great Britain".¹ In the words of Beatrice Webb, "The denizens of the slums had sunk into a brutalized apathy, whilst the more fortunate members of skilled occupations, entrenched in craft unionism, had been converted to the 'administrative nihilism' of Cobden, Bright and Bradlaugh." Only a few leaders were courageous enough to speak out. Their work has been brilliantly described by the writer whom I have just quoted: Joseph Chamberlain refusing to govern a great provincial city "on the cheap", demanding "higher rates and a healthy city", and imposing heavier taxation upon the class "who toil not neither do they spin": Cardinal Manning declaring that "the accumulation of wealth in the land, the piling up of wealth like mountains in the possession of classes or of individuals, cannot go on if these moral conditions of our people are not healed": William Morris and H. M. Hyndman approaching the old problem of poverty versus wealth from a very different angle to both Chamberlain and Manning: "There is complete anarchy of life and anarchy of production around us. Order exists, morality exists, comfort, happiness, education, as a whole exist only for the class which has the means of produc-

tion at the expense of the class which supplies the labour-force that produces wealth."

Whatever the cause, whatever the remedy, such was the London of the late eighties. The perilous profession of the stage could not escape the general depression, and it was in the hope, not only that in Australia theatrical work would be steadier and more remunerative, but also that her elder son might get a chance of becoming something better than an indifferent-cabinet-maker, that Mrs Holman persuaded her husband to make something of a new start in the southern land of opportunity.

During the lazy *Cuzco* voyage out, William Arthur was able to satisfy his intense yearning for reading. There is some truth in the maxim that you can tell what people are from the books they read. But you can deduce much more from a knowledge of a boy's efforts to acquire learning after his school life has been abruptly ended and he has been thrown into the furnace of factory life.

Young Holman had acquired a good working knowledge of Shakespeare, as was inevitable in such a home. Partly for that reason, perhaps, he never became a profound Shakespearian, although most of the phrases of the great tragedies were absorbed by his retentive memory. He tried Carlyle, but not unnaturally was repelled. For before Carlyle can be fought for, he must be fought with; and mastery is a slow and painful process. It was with Milton that Holman really made a start.

Next he came to Macaulay and then to John Stuart Mill, whose frankness in describing his gradual approach to socialism made a great impression on him. But despite his admiration for Mill, and his subsequent embracing of Marx, it was Holman's personal observation of the condition of London itself that first carried him along the road towards socialism; and he delighted in repeating the analogous case of William Morris who, when asked "Does Comrade Morris accept Marx's theory of value?" said:

I am asked if I believe in Marx's theory of value. To speak quite frankly, I do not know what Marx's theory of value is, and I'm damned if I want to know. Truth to say, my friends, I have tried to understand Marx's theory, but political economy is not in my line, and much of it appears to me to be dreary rubbish. But I am, I hope, a Socialist none the less. It is enough political economy for me to know that the idle class is rich and the working class is poor, and that the rich are rich because they rob the poor. That I know because I see it with my own eyes. I need read no books to convince me of it. And it does not matter a rap, it seems to me, whether the robbery is accomplished by what is termed surplus value, or by means of serfage or open brigandage. The whole system is monstrous and intolerable, and what we Socialists have got to do is work together for its complete overthrow, and for the establishment in its stead of a system of co-operation where there shall be no masters or slaves,

but where everyone will live and work jollily together as neighbours and comrades for the equal good of all. That, in a nutshell, is my political economy and social democracy.

It was inevitable that Holman would also be influenced by the three great Victorians, Darwin, Spencer and Huxley:

I learned for myself what "original thinking" really was, and I have never since been under the delusion which many critics are anxious to create for us that mere literary capacity—even if it amounts to genius—gives a man any claim to be regarded as figuring in the world of intellect.²

Holman soon came across English translations of the great classical masterpieces. He borrowed Potter's Aeschylus. The effect was very important:

I discovered *Prometheus Bound* to be—even in English—an unbroken mass of gorgeous poetry; the blank verse superb, the choruses lyric gems, and the final scene unsurpassed even by Milton at his best, for strength and splendour of language. Who Potter was I have never taken the trouble—I blush to admit it—to discover. That he is one of the great benefactors of the English race has always seemed to be unquestionable. For some years I read everything by a Greek author I could find in English dress.

After all this, Holman re-discovered great fiction. In his schoolboy days he had read Dickens and Thackeray, and had been, if anything, slightly repelled; and somehow he derived the notion that the days of English fiction had gone for ever. Then he espied a new planet.

It was Stevenson who rescued me from this attitude of torpor, and his *Wrecker*—surely the finest detective story ever written—finally aroused me to the excellence of Stevenson. I recollect well, too, *The Ebb Tide* being published, literally in penny numbers, in the *Daily Telegraph* of Sydney and I recollect no less the greed with which I devoured each microscopical instalment and the interest with which one W. M. Hughes (who was as badly bitten by the Stevenson mania as I was) used to discuss the slow unwinding of the story with me.

Having regard to his subsequent reputation as the greatest political organizer in Australia, it is easy to understand Holman's early fascination with that little known book, Spencer Wilkinson's *Brain of an Army*. There the actual detailed development of the Prussian campaign against Austria is described with a startling, if somewhat chilling, brilliance. Holman said:

This is a work dealing with a subject which has no particular interest for me and I don't imagine that his observations on that subject are at all original. He enters in it upon discussions of the general principles of organisation and

of administration which I have found in some queer way remarkably helpful in facing many problems arising out of political affairs, and its reading was undoubtedly a starting point for me.

It is not surprising that, with so receptive and so critical a mind, Holman's love of literature remained an abiding possession. In view of his tremendously busy life between 1892 when he attained his majority and his death on 6 June 1934 when he was sixty-two years of age, his efforts in literary criticism and research became irregular. But throughout his public career, he never quite abandoned the role of scholar and *littérateur*.

CHAPTER II

SOCIAL AND POLITICAL CONDITIONS

Soon after their arrival in Australia the Holmans sustained a heavy blow. Their dramatic company was performing at the Bijou Theatre, Melbourne, when a fire destroyed all the properties including the wardrobes of its members. The season had to be postponed for months, and the actors and actresses were left practically stranded. The family left Melbourne for Sydney where new engagements had to be undertaken. All this made the possibility of a return to England more remote than ever. The result was that William Arthur Holman had to obtain a cabinet-making job at a factory in Darlington, now part of the city proper of Sydney. But all the family found the Australian climate much more congenial than that of England.

Soon William became an active member of the Sydney School of Arts Debating Society, which had helped to produce more than one of Australia's public orators. As chance would have it, Edmund Barton, who was in 1901 to become first Prime Minister of the new Commonwealth of Australia, and later one of the first members of its Federal High Court, attended a special debate where Holman spoke. Barton was delighted with the ease and rhythm of the young speaker, with the substance of his argument, and even with the slight Cockney accent of a voice already rich with delightful overtones. He wrote to Holman as follows: "I do not know any young man who possesses a better choice of language, a superior faculty and arrangement or better taste as a speaker." It was in kindly impulses like these rather than in his public career that "Australia's Noblest Son" showed his truest nobility. On this occasion Barton's prescience was justified. He had selected the man who was to become probably the greatest orator to whom Australia ever listened.

The Australian colonies were about to face a time of black depression and fury. Even before the Holmans left Melbourne, close observers had noticed that some purchasers of land at the prevailing boom prices were endeavouring to avoid the performance of their contracts. The maximum height of the land boom was reached in the middle of 1888. The internal economics of Australia were then, as always, largely dependent upon the oversea price of wool, the staple product. Never less than a shilling a pound for years, the price fell to ninepence halfpenny in 1886 and to ninepence in 1890. It was to go still lower, and in 1892 it went below eightpence. In 1893 it collapsed to sevenpence. As this steady but, in result, catastrophic fall approached its maximum point, the land companies—which were parading

as banks and had "decked themselves with London boards, on which ex-Governors, ex-Premiers and Agents-General contrived to look reassuring to British depositors"¹—commenced to liquidate.

Public finance had also been subjected to "boom and burst" tendencies. Throughout the eighties, the twin points of governmental budgeting had been on the one hand reckless oversea borrowing and on the other the sale of Crown lands—capital assets of the nation—for revenue purposes. James Edmond of the *Bulletin*, a most able and astute observer, thus put the position:

Up to 1892 both New South Wales and Victoria boomed heavily on borrowed money, but New South Wales boomed the most. They both kept up an artificial state of prosperity by trading off public lands wholesale and using the proceeds as revenue, but New South Wales having more lands and being more reckless, did it hardest. Also, they were both blessed with a revenue from land-rents, though New South Wales had about three times as much of this as Victoria. At the end of 1892 Coghlan estimated that New South Wales had borrowed publicly and privately to such an extent that the next interest payable to foreign creditors was £5,100,000 a year, which, assuming that the interest averaged 5 per cent all round, meant a net public and private burden of £102,000,000. Victoria's net interest burden was £3,392,000, representing, on the same basis, a total public and private borrowing of £67,840,000.

Nor was agriculture able even to mitigate, still less make good, the losses caused by the fall in wool prices. In New South Wales the position became desperate. In 1890 the area under wheat amounted only to 333,000 acres out of a total of 3,000,000 acres in Australia. In 1913-14, twenty-four years later, the New South Wales wheat area was itself over 3,000,000 acres, more than one-third of the Commonwealth total acreage. But in 1890 the situation in New South Wales could not be balanced by gold production. In 1888 such production amounted to only £317,000 out of a Commonwealth total of nearly £5,000,000. Important gold finds took place at Mt Drysdale in 1892, and Wyalong in 1893, helping to lift the New South Wales total past the million mark in 1894. But no real hope for the mother colony lay in that direction. Certainly its coal was a great stand-by, for in 1891, over ninety per cent of Australian production came from the valuable New South Wales deposits. The Broken Hill silver-mines had an output of over £3,000,000 in 1891, and by 1914 had paid away nearly £18,000,000 in dividends alone. But their remote situation and their closer relationship with South Australia industrially and with Victoria financially, almost reduced Sydney to the role of jealous onlooker; except, of course, in times of industrial dispute, when police were usually dispatched to Broken Hill from Sydney by the long roundabout journey through Victoria in order to keep a watchful eye on

the employees, whether they were strikers, or, as they very often were in the nineties, locked out.

One of the few hopeful elements in the economic situation during the nineties was the State ownership of the railways. It had been discovered that private enterprise was quite incapable of providing this service. It was more than a service, it was a great pioneering enterprise. Between 1871 and 1881 the mileage open on New South Wales lines alone was increased from 258 to 1040, and by 1891 it had gone ahead to 2263. The colony of Victoria with 2763 was still ahead of New South Wales. Both colonies were definitely committed to the policy of public ownership but for which the monopoly and exploitation that disfigured and disgraced railway control in the United States would certainly have been reproduced in Australia. Certainly some of the lines failed to pay both the interest on money borrowed and working expenses. But this was owing partly to the character of the politicians of the day who were "roads, bridges and railway" members, always trying to forward the interests of their particular electorate as the price of political support. This specially dangerous tendency was severely checked by the setting up in the late eighties of a Parliamentary Public Works Committee, and the passing of the Government Railways Act which placed the control of the railways under a commission that was free from direct political control.

With New South Wales fast approaching a desperate economic crisis, the existing political framework seemed to hold out little hope of amelioration. The 141 members of the Legislative Assembly or Lower House were divided into so-called "free-traders", led by Sir Henry Parkes, who in 1890 was 75 years of age, and so-called "protectionists", led by G. R. (later Sir George) Dibbs. But the protectionists were intent not so much on developing local industries as on using the tariff as a taxing medium in order to stop the imposition of either land or income taxes. Occasionally the tariff issue would become acute, and then the free trade principles of English liberalism would prevail, as was to be expected in a colony dominated by a city which was then a commercial rather than an industrial centre. Nominally every man had the right to vote. But the complicated electoral provisions as to length and change of residence made it difficult for the nomadic worker either to obtain or to retain his vote, and plural voting had not been abolished. Trade-unionism was confined almost entirely to the artisan and craftsman class. It was not until William Lane in Queensland and Arthur Rae and W. G. Spence in New South Wales set up the organization which ultimately covered shearers, general labourers and miners (other than coal-miners) that unionism became even organizationally equipped to make some fight against a general lowering of wage standards.

In 1889 Sir Henry Parkes was Premier, and Dibbs was Opposition leader. The parties they led were little more than what Sir Charles Dilke had called

'rival syndicates". Parkes was an opportunist but his opportunism did not reduce him *below* the level of legislators in the "good old days". After manhood suffrage and the ballot had been provided for by Cowper in 1859, no significant social legislation was passed before 1890 except the Crown Lands Act and the Public Instruction Act of 1880. It may be that the opportunism of the politician was merely a sign of the absence of real political parties and of live political issues. In the Assembly, Parkes, with long flowing beard, combined the art of the actor with the invective of the demagogue. He always spoke with authority, real or apparent, and few dared to gainsay him. Towards the end of his political career, he very carefully placed himself in the leadership of the new political movement in favour of Federation of the Australian colonies, and many suspected that he was using the new cry to resist the widespread demand for immediate social reform. In the end Parkes even lost his authority as the exponent of free trade; like most other people before and after, he completely underestimated the ability and shrewdness, as well as the audacity and sincerity, of G. H. Reid.

On the other hand, Dibbs, the protectionist leader of 1890, had certain advantages over Parkes. His political career had been shorter, having begun only in 1882; thus the animosities which Parkes invariably aroused did not always extend to Dibbs. But just as Parkes was continually angling for the votes of the Orange Lodgers, the wealthy importers and the anti-liquor group who gradually became known by the nickname of "wowsers"—Dibbs, with the inevitability that attaches to the operation of Newton's third law of motion, got the support of the Catholic and liquor groups. Like Parkes, but travelling in the opposite direction, Dibbs changed his attitude upon the tariff question, so that an ex-free-trader was made leader of the "protectionist" group, seemingly because the protectionists could not trust any leader from amongst themselves.

As a counterbalance to the depressing character of the politics and the political leaders of 1890, the Sydney in which Holman so quickly matured was the home of the *Bulletin*. This great journal was then controlled by J. F. Archibald and William Macleod. It was published weekly. It was equally familiar to the bushman of the far north, the stockman of central Australia, the pearl-sheller of Torres Straits and the digger in the New Zealand ranges. It was sold in every Australian city and town, and re-mailed from reader to reader. It was the only Australian paper which denounced the Sudan expedition from its inception. It was consistently radical. Such were its own repeated assertions and they were all true. It was said that "The public eye rejects as uninteresting more than half of what appears in the newspapers of today. *It is only the remainder that is found in the 'Bulletin.'*" When Holman first saw it, to his astonishment and delight, he read the following:

The *Bulletin* favours—

1. A Republican Form of Government.
2. Payment of Members.
3. One Person, one Vote.
4. State Revenue derived directly from the Land.
5. Complete secularisation of Education.
6. Reform of the Criminal Code and Prison System.
7. United Australia and Protection against the World.

The *Bulletin* denounces—

1. Religious Interference in Politics.
2. Foreign Titles.
3. The Chinese.
4. Imperial Federation.

But Holman's thoughts were concerned more with the condition of the working classes than with the first proposal of the *Bulletin* "platform". He did not believe and never came to believe that Republicanism was necessary. Yet in Australia the feeling against England was often intense. In 1883 McIlwraith, the Queensland Premier, caused the British flag to be hoisted at New Guinea as a protest against German aggression so close to Australia's shores. When Whitehall ordered the flag to be hauled down, all the Premiers of Australia joined in his protest, and the result was the re-hoisting of the flag by the British in December 1884. It was then supposed in Australia that the British territory would extend to the whole of New Guinea. When made known, Britain's large concessions to Germany caused strong anti-English feeling, Queen Victoria being frequently attacked for having betrayed Britain's interests to Germany. The brilliant Archibald was Francophile, and in this respect, as in others, Holman came under his spell. A Republican Union was founded in Sydney in 1884, and some of those who were to become Labour members of Parliament took a leading part in its control. At the Federal Convention in March 1891, Dibbs said that the national spirit of Australia was "so instinct with freedom that it will impel our people at the earliest possible moment to form a nation of their own". But Holman held that the republican demand should have no place upon the platform of a Labour Party, for that issue might split the workers and indefinitely postpone their emancipation.

On the other hand, he thoroughly agreed with the *Bulletin's* opposition to Imperial Federation, with which, for over ten years, the name of Joseph Chamberlain came to be unfavourably associated. In 1889 Holman, not quite eighteen years of age at the time, attended a great public meeting at Sydney which was addressed by a visitor from England named Parkin, heavily boomed as the great orator of Imperial Federation. Not only was the speaker heckled; the radicals took charge of the meeting and a resolution was pro-

posed to the effect that the inevitable destiny of the Australian colonies was to unite and form among themselves "one free and independent nation". The chairman wisely refrained from putting the revolutionary proposal to the vote. But the important result was that no New South Wales politician ever seriously advocated Imperial Federation, and, except in a few academic study circles, the proposal has never since aroused substantial interest, still less solid public support.

But the legislative adoption of the principle of payment of members of the Assembly (the second plank in the *Bulletin's* platform) greatly interested Holman and stimulated his political ambitions. The allowance provided was to be £300 a year, a figure which was later raised to £500 by Holman himself. But any immediate thought of his standing for Parliament had to be postponed. For when, in 1891, the dissolution came, and Labour made its first bid for Parliament, Holman was only twenty years of age, and ineligible to stand for election.

It was hoped by its advocates that payment of members would improve the tone of the Assembly which, in 1890, was called "the bear-garden in Macquarie Street". At that time the conduct of members was outrageously bad. Some of them would brook no control. It is a curious thing that the disorderly behaviour in the House, which was subsequently attributed to the principle of payment of salaries, existed in an aggravated form long before that principle was introduced. It is also a fact that, from the first, the conduct of the Labour members within Parliament was universally acclaimed as exemplary. Although payment of salaries did not of itself improve the conduct of the legislators, it was calculated to terminate or lessen corruption and bribery and, no doubt, it had such an effect.

Viewed politically, the four essential features of the New South Wales situation as they presented themselves to Holman were: *First*, a democratically elected Lower House. Even the Upper House, like the House of Lords, was not entirely unresponsive to popular demands, the penalty of obduracy being the danger of swamping with Government nominees, there being no statutory limit to the number of appointees. *Second*, there was a nominal contest between free trade and protectionist groups, but in reality both groups had opportunist and individualist aims. The free-traders did not want trade absolutely free and they also accepted the policy of heavy oversea borrowing accompanied by indiscriminate sales of Crown lands for revenue purposes: further, the demand of the protectionists for customs duties was made, not so much with the object of encouraging or protecting local industry as to insure wealth's immunity from contributing to the revenues of the colony. *Third*, Holman took account of the beginning of a genuine movement towards a closer unity between the six Australian colonies. *Fourth*, Labour was partially, but poorly organized industrially, and politically not organized at all.

CHAPTER III

LABOUR AND DIRECT ACTION

INTO the social and political environment I have described the explosive material of the 1890 strike was projected. The employers argued that the "costs of production" were too high—the usual euphemism invoked in all schemes to reduce wages. In 1890 union organization in New South Wales was incomplete, and Parkes and Dibbs still trusted their ability to divide the trade-unionists by raising fiscal or sectarian catch-cries. In Queensland, on the other hand, William Lane had helped to build up a much stronger organization; and, at his instigation, the Australian Federation of Unions made the impressive contribution of £30,000 which enabled the London dockers to continue and carry to victory, their long strike against intolerable conditions. But the Federation's attempt to counter the policy of victimization of, and discrimination against, local trade-unionists—by an Australia-wide maritime, waterfront and shearing-shed strike—failed.

In 1889 there had been sporadic disputes, and, early in 1890, a federation of employers was formed to fight against trade-unionism, the slogan adopted being "Freedom of Contract". In July 1890 a conference between the Shearers' Union and the pastoralists' organization broke down. W. G. Spence was only exaggerating the element of prior deliberation when he alleged that, "In 1890 the employers' union conceived the ambition of wiping out Australian unionism at one blow. They first had the idea of a universal lock-out".¹ While the dispute as to shearing rates remained unsettled, a critical incident occurred at Melbourne when the Marine Officers' Union was refused recognition by the shipowners. The shipowners were able to engage non-unionists without difficulty, owing to the ever-increasing unemployment. Next, the inter-colonial Labour Council formed itself into a Strike Defence Committee and five thousand Sydney wharf-labourers stopped work. None the less, "black" wool was shipped away in "black" vessels manned by non-union crews. Then, at Newcastle, New South Wales, the coal-miners refused to hew coal for the "black" ships. Thus, point by point, the dispute extended. In New South Wales, the original issue as to the recognition of the Marine Officers' Union, became merged in the question of non-union wool. In September, when Parkes was disabled owing to an accident, the Riot Act was read in Sydney at the direction of a cabinet minister. This led to a complete stoppage on the part of 20,000 shearers. Then the Newcastle coal dispute extended to the southern mining districts of New South Wales. The Government dispatched artillery to the south. The shearers, who never should have been called out in a body, were ordered back by the Strike Committee. Then

came utter disaster. The very union which had commenced the dispute—the Marine Officers’—had to surrender at discretion. Soon each hold-up terminated, the unionists being defeated in detail. Wiser leadership would have foreseen that, on a falling market, so widespread a strike was bound to fail, having regard to the lack of union organization in face of the enormous reserve of unemployed non-unionists.

Holman was not brought into the strike and still followed his cabinet-making trade at the Darlington shop. He surveyed the exciting panorama of events with the closest attention, and drew several conclusions which, for good or ill had a large effect upon the subsequent history of the Labour movement in Australia.

First of all, he was profoundly impressed by the courage of Higinbotham, Chief Justice of Victoria, who sent £50 to the Melbourne strike fund with the following public announcement: “While the United Trades are awaiting compliance with their reasonable request for a conference with the employers, the Chief Justice will continue for the present to forward a weekly contribution of £10 to the same object.” Higinbotham had won Australia-wide fame for his efforts to fend off attempts by Downing Street—a “person named Rogers”—to interfere with colonial self-government in Victoria. But, on this occasion, he courageously invoked a principle far more significant than his amusing sneer at Victoria’s “wealthy lower orders”. For implicit in his letter and his contributions to the strikers was the thesis that a great strike or lockout with its inevitable suffering and hardship should be prevented or settled either by a tribunal or conciliation, or, if that failed, by a tribunal of industrial arbitration. Such, at any rate, was Holman’s interpretation of Higinbotham’s letter.

In the second place, Holman began to qualify himself as an authority on the actual working conditions in the various industries and trades, so that he might be able to speak with authority upon the justice of the workers’ wage claims. He discovered that the wage standard in New South Wales was low. A skilled brickmaker worked ten hours a day and received only 7s. A carpenter received as little as 9s. a day, and the engineering tradesman as little as 10s. also for a ten hour day. The unskilled labourer worked at least nine hours a day, and received no more than 7s.

Realizing the rank injustice of these conditions, Holman was not satisfied that striking was the best weapon to use. His opinion seemed to be confirmed when the failure of the maritime strike was quickly followed by new attacks upon trade-unionism. Encouraged by their success in 1890 in New South Wales, the Pastoralists’ Union decided to engage labour for the 1891 shearing without consultation with the Shearers’ Union. In Queensland the pastoralists were concerned to destroy the dangerous and effective leadership of William Lane, ardent socialist and brilliant journalist, who subsequently

led the New Australia Expedition to Paraguay in 1893. The struggle in Queensland was long drawn out. But, like that of 1890, it also ended in the defeat of the union, again as a result of the lack of solidarity in the ranks of the workers. The attitude of the volunteer labourer or "scab", Holman found very difficult to reconcile with the universal boast that Australians would always stick together in a crisis.

Except in special circumstances, the non-union worker of 1890 was almost eager to secure work for himself at the expense of the standards which the unions were endeavouring to obtain or maintain. Holman concluded that a more effective remedy lay in an appeal to the legislature. His mind turned again and again to the manifesto issued by the Inter-colonial Labour Conference towards the close of the maritime strike. That report, signed by W. G. Spence as secretary, stated, probably for the first time in Australia, that in every industrial dispute, the organized force of the community was employed against the workers, the Governments acting in substance as committees of the employers. Troops had been sent to the coalmines, and police were always on hand to protect the interests of the employer and the safety of the non-unionist. The report said:

We would also call attention to the actions of the governments of each colony in regard to the strike, and recommend active, energetic work throughout all Labour organisations in preparation for taking full advantage of the privileges of the franchise by sweeping monopolists and class representatives from the Parliament of the country, replacing them by men who will study the interests of the people, and who will remove the unjust laws now used against the workers and wealth-producers; and administer equitable enactments impartially.

This report encouraged, if it did not positively suggest, the idea that Labour, as an organized union of political thought, should seek *direct* representation in Parliament. Curiously enough, a similar suggestion was put forward by the Sydney Press, but as T. A. Coghlan comments, "with its tongue in its cheek". There was a "good deal of sermonizing" by the Press, deploring the disastrous effects of the strike and suggesting that Labour, if it liked, might even have its candidates elected to Parliament. After the attempt was made, the tone of the Press suddenly altered. Years later a leading Sydney newspaper, forgetting its original advice to organized Labour to contest parliamentary seats as Labourites, said that, "When the party appropriated the name of Labour, it jumped a political goldmine. There never was, and perhaps never will be, a vote conjurer of greater potency".

The result was that, before the end of 1890, the Australian Labour Council commenced the organization of "Labour Electoral Leagues" in many electorates of New South Wales, and a committee was appointed to prepare a

platform to which Labour candidates should adhere. The subscription to the league was made nominal; each branch for the electorate was to choose its own Labour candidate who was required to agree to resign his parliamentary seat if called upon to do so by a two-thirds majority of the league. The objects of the L.E.L., as it came to be called, were to bring together all electors "who are in favour of democratic and progressive legislation under one common banner". By March 1891 a platform had been drafted and approved. First it provided for electoral reform. Although manhood suffrage was the general law, plural voting rights remained, and these it was proposed to abolish. A scheme for the registration of voters and the abolition of the six months' residence clause were included in the electoral reform plank. The party stood also for free, compulsory and technical education, higher as well as elementary; it advocated "eight hours to be the legal maximum working day in all occupations", a Workshop and Factories Act to prevent sweating, an amendment of the mining laws to provide for the right to mine on private property, the extension to seamen of the Employers' Liability Act, the establishment of a Government Department of Labour, of a national bank, of a national system of water conservation and irrigation—a topic which had been almost entirely neglected in New South Wales. In 1890 there was no system of local government in force, and the Labour platform demanded both local government and decentralization. It advocated Australian Federation, but "on a national as opposed to an 'Imperial' basis" with a "purely voluntary 'defence system'." The platform attracted the single-taxers by advocating the taxation of "that value which accrues to land merely from the presence and needs of the community, irrespective of improvements effected by human exertion".² It also declared that Crown tenants should be entitled to the absolute right of property in all improvements which they effected.

This attractive programme was well calculated to appeal to many voters who had become either disillusioned or disgusted by the opportunism of the Parkes and Dibbs groups. Organizational work was begun, the first Labour Electoral League being formed at Balmain on 4 April 1891. The presence in Sydney of Sir George Grey of New Zealand helped the Labour Party, his advocacy of "one man, one vote" making a great impression both in New South Wales and South Australia. In June 1891 Parkes decided upon a snap dissolution in order to cut short the time available for extending the new Labour organization. The method of voting then and for many years after was to mark crosses on the ballot paper, the candidate or candidates "first past the post" being declared elected. This method of voting interfered with Parkes's prospects, especially in the Sydney working-class areas, where the free trade cry had often been effective in the past. For the workers who desired to vote for Labour or even free trade, might succeed in allowing

the protectionist to slip in. During the campaign, Holman spoke in a number of electorates, his eloquence, his slight and graceful form and his insufficiently cropped head of jet-black curly hair attracting an unusual degree of interest.

The elections took place on 17 June 1891. The result was sensational. Parkes's following fell to 49, and Dibbs's increased to 51. There were 5 independents. But the Labour candidates were successful in 36 seats out of 45 which they contested. The result was that in the Assembly of 141 members, the Labour supporters would possess the balance of power between Parkes and Dibbs. The Sydney Press was greatly surprised, not to say shocked. During the campaign, they had denounced the L.E.L. as including "anarchists and revolutionists". Now they asserted, and correctly, that much of the Labour support must have come from outside the ranks of the working classes. Accordingly, they warned Labour that it had to assume a grave and serious responsibility. The *Bulletin* of 11 July 1891 interpreted the surprise vote by saying that the Labour Party had obtained its great support because it:

... wants to wipe out the great art and swindle of politics, by taking the direct vote of the whole people on all important questions; it wants no imported Governors nor borrowed Generals nor hollow military pomp, no foreign titles nor foreign capitalists, and no more foreign loans, no cheap labour nor low-priced and diseased emigrants from the slums of Europe and Asia, no more religious feuds, no National Anthem nor similar doggerel, no Upper House and no more party government. It wants co-operation in place of capitalism, national insurance instead of relief works and benevolent asylums, a universal eight hours' system.

CHAPTER IV

LABOUR ENTERS PARLIAMENT

AFTER the general election, the Sydney *Bulletin* said that Labour had a long accumulated bill to present for settlement. It also warned the Labour Party that the "snag ahead" was the Upper House. In New Zealand, the Ballance ministry, which was radical Labour in tendency, had been rebuffed by the Upper House over six important Bills. The *Bulletin* suggested that whether Parkes or Dibbs was supported by Labour, it should insist that radicals be appointed to the Upper House: otherwise none of the sixteen planks of Labour's electoral platform could be carried into effect.

Under the rules of the Labour Electoral League, the only specific provision for disciplining a Labour member lay in the signed pledge to his local league that, upon a censure by its two-thirds vote, he would resign from Parliament. But nothing whatever was laid down as to whether the majority of the elected members of Parliament should be entitled to determine the policy of the whole parliamentary party. This omission was not surprising. But it was to be the rock which split the first parliamentary Labour Party.

At the first meeting of the new Labour members, George Black moved that a condition of admission to the private meeting or caucus of the party should be that each member was pledged to vote in the House in accordance with the decision of the majority of the party sitting in caucus. At once eight members declared that they were pledged to their electors to vote for protection in any event. Black's proposal was deferred. But one member immediately deserted the Labour group. Not even the leadership was determined. Parkes, openly bidding for Labour's support, announced to the new Parliament that legislation would be introduced to provide for electoral reform, for safer coal-mines, for the right of mining on private property, for local government, for an instalment of industrial conciliation, for factory legislation, and for water conservation. With the promise of such concessions, most of the Labour members were willing to support Parkes's continuance in office. But, during the debate on the address in reply, a trap amendment was moved with the object of forcing protectionists in the Labour ranks to vote against Parkes. The device was successful, and seven of the thirty-six Labour members voted for Dibbs, the remainder supporting Parkes. The party had split, and not for the last time.

Four prominent Labour propagandists were not included in the parliamentary Labour Party: Holman, W. M. Hughes, G. S. Beeby and J. C. Watson. It is difficult to say whether they would have persuaded the parlia-

mentary party to "caucus" more solidly than they did. These four men were agreed that, although Labour had done well the fact was that, as their members numbered only one-fourth of the Assembly, no valuable legislation could be passed, unless there was absolute solidarity. The idea of a third party's giving support to one of the major groups as part of a bargain for concessions in the shape of favourable legislation or administration was by no means a revolutionary one. In the House of Commons, Parnell had sought to exploit a somewhat analogous situation. In New South Wales, the *Bulletin*, although it detested Parkes, advised Labour that it should support Parkes "simply as the hangman supports his victim—to the drop". In an Assembly debate, George Black, while not speaking officially on behalf of the party, thus enunciated Labour's tactics: "The Labour party holds a sensible position in asserting that it has come into politics neither to support Freetrade nor Protection, but the Ministry which will give us what we want. . . . The motto of the Labour party is: Support in Return for Concessions."

Black's exposition of the position was clear and justifiable. But it was insufficiently tactful, even a little brutal. Writing subsequently, B. R. Wise said that the doctrine of "support in return for concessions might have been the basis of an honourable bargain; but, with men who were unacquainted with Parliamentary methods, it might become a cloak for insult and dictation".

But there was much to be said in favour of George Black's method of announcing Labour's policy. An outspoken declaration was calculated to end a situation of almost intolerable humbug. Parkes's biographer speaks of the "very irritating effect" upon him of Labour's demands. "Without their support, the ministry were powerless; with it, they were humiliated".¹ Parkes cunningly sought an occasion to make a tactical retreat from office. During the debate on the Coal Mines Regulation Bill, the Labour members secured an amendment by which the daily hours of labour in mines were limited to eight. Infringement of that clause, as indeed of many other mandatory provisions of the Bill, was to be penalized. Parkes came to the Assembly and dramatically demanded a recommittal of the Bill to eliminate the amendment. He said he would never be party to penalizing any man for working overtime. Parkes's threat to resign was ignored, and his demand was refused. If Parkes really believed in the eight-hour principle his attitude was indefensible. Lord Jersey, the Governor, was sympathetic to Parkes's attitude. The latter said, and apparently believed, that Labour's "rapacious demands" would wreck any alternative Government set up by Dibbs and that, by stepping out, he would be able to step back the more quickly. He made a tragic mistake. In spite of several desperate attempts, he never held high office again. He had bluffed once too often. Labour would never trust him again.



LABOUR'S WHIP-HAND OVER PARKES

"The New South Wales Labour Party has decided to follow Parkes."—
Daily paper.

"Parkes will really lead the New South Wales Labour Party."—
Another daily paper.

From the Sydney "Bulletin", Drawing by "Hop".

At the same time, Parkes suddenly wearied of constitution making. With fitting solemnity he said that he would ask Edmund Barton "to take up the cause of Federation". At a conference between the two politicians which was the more impressive because no witness was present, Barton "accepted the mantle of leadership thus informally cast upon his shoulders".² When and where this touching scene took place, B. R. Wise does not condescend to say. While Parkes remained Premier, Barton voted against the introduction of the fiscal issue, and contended that there should be no alteration in the New South Wales tariff duties, for that would create a serious obstacle to the Federal cause. Now that Parkes was out and Dibbs was coming in, the Federal cause was quickly forgotten. Dibbs announced that Barton had accepted office as Attorney-General in the new ministry and that additional customs taxation was to be imposed. The public were aghast at the *volte face*. The *Telegraph* dubbed the arrangement "The unholy alliance". In the result, although Barton had "accepted the mantle" of Federation, he wore the robe seldom and during the Dibbs regime the Federal movement was relegated to the background.

Holman and Hughes were following with close attention the conduct of the Labour members. It soon became apparent that, for the remaining period of the 1891-4 Parliament, Dibbs could hold on to office because of the free trade-protectionist split in the Labour camp. In December 1891, on the eve of his visit to England, Dibbs escaped his first censure vote by only 71 to 68. "But that," says George Black, "was before he had arrested the men who were compelling the government to keep order at Broken Hill, before he had twisted the law and used the credit of the country to assist the bank shareholders, before he had given full proof of his inability to administer the law justly or had shown that he put loyalty to the Empire before loyalty to Australia."³

In January 1892 a conference of the New South Wales Labour Electoral Leagues carried a vote of censure against those Labour members who had refused to vote solidly with the majority of the party. In September 1892 Labour had a further opportunity of removing Dibbs. As a result of the prosecution of several Broken Hill trade union leaders, the feeling against Dibbs was bitter. Yet, instead of support being given to Reid's general vote of censure, a specific amendment to Reid's motion was moved, and this gave the Labour protectionists an opportunity of saving face. Reid could not support Labour's specific amendment, while, on the general censure, Dibbs again escaped by the combined aid of the Labour protectionists and seven free-traders who were as much anti-Reid as anti-Dibbs. The *Worker* of 24 September 1892 expressed the official Labour opinion by declaring that, "Those members who support the government after their action in regard to the Barrier miners deserve the contumely of every white worker from one

end of Australia to the other. Never was the issue clearer than at present, and woe betide the traitors". And, with violence: "Every Labour man who supports Dibbs while the government keeps these men in gaol, helps to rivet the fetters around his mates. He is a dog-goned sight meaner than the dirty scab who works in the mine."

Holman made a study of Dibbs's new electoral Bill, which accepted many of the principles demanded by Labour. For one thing, plural voting was to be abolished and residence was to become the sole qualification. A document evidencing a man's right to vote, called an "elector's right", was obtainable after a period of continuous residence of three months in an electorate, and twelve months in the colony. Many of the existing electorates returned two or three members, but under the new scheme there was to be a redistribution, based on single electorates, with the Assembly reduced in number from 141 to 125. Holman was considering whether he should stand for that portion of the existing Balmain electorate which, under the redistribution, was to become the single electorate of Leichhardt.

CHAPTER. V

THE YOUNG PROPAGANDIST

By the end of 1893 Holman was already becoming one of the leading propagandists of the Labour movement. He spent most of his spare time at the Public Library, reading and studying, arming himself for debate or oration. In April, during a financial crisis, one of the great private banks had closed its doors, and Reid assisted Dibbs to pass a Bank Issue Bill which made the notes of the private banks legal tender, but a first charge on bank assets. The Bill also enabled the Government to authorize further note issues. The economic crisis was caused, not only by the low price of wool, but also by the sudden withdrawal by English creditors of money that had been lent to Australian banks, and re-lent locally upon rapidly depreciating securities. The ordinary bank depositor was hit hard.

In 1892 the Assembly had appointed a Select Committee to investigate the question of establishing a post-office savings bank and a national bank. On 5 April 1892 a very youthful-looking witness appeared before the committee to give evidence. It was Holman, then only twenty-one years of age. He had been specially appointed by the Socialist League to represent their views to the committee. In evidence, Holman said that no absolute limit could or should be laid down as the legitimate functions of the State, and he then described Labour's banking policy.

He advocated the establishment of a national bank to do exactly the same class of business as was done at the time by private banks. He would not pay compensation to private banks: he did not believe that any Act of Parliament had ever been passed assuring the private banks a monopoly of private business. He drew an analogy between the banking system as the instrument of commerce and the railway system as the instrument of industry, and envisaged the national bank as a great instrument of government loan policy. In his evidence, Holman insisted upon independent control of the State bank, agreeing that direct political control would, or might, lead to mismanagement or worse.

The final report of the Committee was in keeping with Holman's views. It stated that:

Other evidence discloses that private Banks are now violating their charters and the spirit of the land law in virtually becoming the most extensive land proprietors in the colony, and the evidence . . . shows that even the true principle of the Savings Banks is being subverted by the deposit of large amounts of that institution's money in proprietary Banks. Moreover, it has been revealed that some of the Banks have been utilising what should have

been rigorously kept as reserves. In the opinion of your Committee, these facts emphasise the necessity for parliamentary action to reform serious abuses, and the first step towards this would be the establishment of a National Bank of Issue.

The report added that the establishment of a Government bank of issue was practicable and urgently necessary, and that a Government bank of deposit and general banking should be combined with the bank of issue. The existing post-office savings banks constituted, it was advised, an excellent nucleus for the proposed national bank.

Although the report was brought before the House in 1893, it was more than twelve months before its adoption was finally voted upon. By that time, the Assembly was on the eve of its dissolution, and Dibbs's chances of being returned to power seemed to have disappeared. It is characteristic of the radical spirit of the time and of the lack of confidence in private banking institutions caused by the financial crisis, and it is also a tribute to Labour's banking policy as explained by Holman, that the Assembly adopted the report by 40 votes to 17. Dibbs himself voted in the minority.

In 1893 regular propaganda and education lectures had been organized by the Socialist League, which in 1894 became directly affiliated with the Labour Electoral League. On 28 May Holman gave a public address on "Corrupt and Dishonest Banking" to what was described as "a very large and enthusiastic audience". He complained that the Dibbs Government had almost burst itself in its eagerness to rescue the private banks from a situation of acute difficulty. He said that the Bank Issue Bill was introduced by Dibbs on a Friday evening, and signed by the Governor within twenty-four hours. "The fact is," said Holman, "that this country is not governed from Macquarie Street, but from the parlours of our financial institutions. Yet a government must either control land and capital, or they will control it."

Unfortunately, Holman's early successes had to some little extent turned his head, and, for a time, his methods of controversy brought him under severe strictures. On 3 June 1893, in the course of a dispute which need not be described, he wrote to the *Worker* seeking to overwhelm his adversary by ridicule. Some of Holman's phrases were: "shows the cloven hoof", "ostentatiously ladles out the flapdoodle of debate", "contradicted and stultified himself", "to this venerable relic of antiquity I make the two long-established stereotyped replies, both of which are to be found in any of those modern works on Social Science which he has never read". Holman said that his opponent was "in the delirium of his economic frenzy", and that the fact which such opponent "seems to have so much difficulty in wedging into the interstices of his cranium" was so and so.

Letters like this invited strong comment, and, for the ultimate good of Holman's soul, they received it. One commentator said in the *Worker* that

Holman's letter " . . . is nauseating in its plenitude of scurrility, arrogance, and intolerable conceit. The writer is evidently a socialist, and if the tone that pervades his letter may be taken as indicative of the general bearing of his socialistic confreres towards those who may chance not to think as they do on all subjects, then all I can say is the 'brotherhood of man' doesn't count for much."

Holman's lecturing and propaganda went on almost continuously. On one occasion he and W. M. Hughes debated the subject of "Religion and Socialism". Next, Holman discussed the subject of "Cant" in a way which was described by the *Worker*—not an over friendly critic of Holman—as "most eloquent and interesting".

In July 1893 Holman suffered a severe family wrench. His brother Charles left Australia on the *Royal Tar* with 210 other emigrants bound for "New Australia" under the leadership of the brilliant William Lane, then aged thirty-one years. The idealists set out confidently enough. Lane, author of the book *Working Man's Paradise*, seems to have created a favourable impression upon most of his acquaintances. He insisted that the establishment of a new socialist community in South America was not caused by the defeats of the maritime and shearers' strikes in Australia. It is true that the movement towards labour and village settlements had commenced long before the strikes of 1890 and 1891 and that, in the Queensland papers the *Observer* and *Boomerang*, Lane had ardently advocated their establishment. None the less, the expedition to Paraguay was greatly aided in its recruiting by the failures of the trade unions and also by the lowering of wage standards throughout Australia.

Charles Holman's name appears in the original sailing list as "Charles A. Holman, Cabinet-maker". The elder brother, more affectionate and sensitive than the younger, felt the parting the more. The family separation was a severe blow to their mother. William Holman was opposed to Lane's Paraguay enterprise, and contended that the first duty of Australian socialists was to try to emancipate the workers of Australia. But, in spite of this, he was selected as principal speaker at a great public farewell to the expedition held in the Sydney Domain, always a famous open air forum.

Holman was engaged at lectures, debates or private study. At a meeting in the Centennial Hall, organized by the supporters of the Federal movement, Holman, assisted by W. G. Higgs and George Black, successfully put forward an amendment to the vague official resolution in favour of Federation. Holman's amendment called for a single popular chamber in a Federal Parliament which was to be elected upon the basis of one man one vote. The amendment also urged the nationalization of land, the abolition of the legislative councils of the States, and the substitution therefor of the popular referendum.

Through the unceasing propaganda of Holman and Hughes, the political Labour Leagues threatened to become a permanent political force. Accordingly the attitude of the Sydney daily Press became increasingly hostile. This hostility caused an agitation in favour of starting a daily Labour paper. According to the *Worker*, the typical daily

. . . wants boiling down to the size of a sheet of notepaper and then frying with disinfecting fluid and cayenne pepper to make it wholesome and refreshing. We want something different, a bright, earnest, truthful paper, terse and vigorous, with a dash of humour, willing and anxious to hit the head of every fraud and lie that pops up, with the best weapon at hand.

Those controlling the *Australian Workman*, which was a Labour radical weekly, sought to merge it into a Labour daily, but the *Worker*, which was the weekly organ of the bush unions both of New South Wales and Queensland, was very suspicious of this proposal. "We hear," it said, "that a good many workers have put their money into the venture, and we sincerely trust that they will not regret their action. 'Australian Workmen' officials, who seem to be up to the eyes in this new company scheme, 'took money for it', from the enemy." Holman was enthusiastic about the proposed Labour daily, but it was not until the *Daily Post* commenced publication that he took any direct share in its control.

During September, October and November 1893, Holman delivered an important series of public lectures on the subjects of socialism and economics. These were all given at Leigh House, and created great interest. It was still a time of great depression in trade and industry, and at such times in Australia as elsewhere it has always been found that the middle classes and a proportion of the artisan classes are sufficiently startled out of their ordinary composure to commence or recommence the study of social and economic problems.

His subjects were Marx ("one of the most often quoted and least often read of writers on social science"), Henry George and Bohm-Bawerk, the Austrian economist. Holman said that the reforms which George had suggested were of considerable value; but as a thinker and theorist his contributions were worthless and contemptible beyond expression. There was hardly one single idea in *Progress and Poverty* of any permanent value.

In his final lecture of the series, Holman summed up and endeavoured to apply to Australian conditions the theories of the economists. His general conclusion was that in Australia the socialist school of thought should be preferred to the single-tax theories. His peroration convinced the most sceptical listener that the young orator was destined to have a considerable influence upon the political future of the colony.

This series of public addresses gave Holman a prestige which extended far beyond the ranks of Labour and socialist thought. The spectacle of one so young-speaking with such authority, with such charm of diction and apparent lucidity of thought, was unique.

Labour's success in the general elections of 1891 was founded upon a solid vote of the workers, but it also represented a middle-class protest against both the opportunism and the apathy of the politicians belonging to one or other of the two "old gangs". Yet, during Dibbs's administration between 1891 and 1894, there were many signs that the domination of political opportunists would return and that the Labour Party which had "blown in" would soon "blow over" with all its parliamentary representatives into one or other of the two main camps. It was the Labour split in Parliament which maintained Dibbs in office. Unless drastic measures were taken, similar splits would recur.

All at once, there seemed to come an upsurge against Dibbs by the intelligentsia of the colony. They became indignant at his anti-Labour moves—his use of the customs house to tax necessities and to avoid direct taxation of income and land, his failure to accede to Labour's demands in Parliament, his oppressive action against the leaders of the miners who had been locked out at Broken Hill. Fear of reaction seemed to stir the poets, writers and artists into active sympathy with the ideals of Labour. True, Labour had been without leadership, discomfited and disunited. What of it? They must start afresh and build more firmly upon the basis of fraternal solidarity.

Above all, the poets of the day began to announce themselves on Labour's side. They expressed their opinions in much occasional verse, of which that of Henry Lawson, Australia's youngest balladist, had the most popular appeal. His gentle nature revolted from the current verbiage used for deriding the non-unionist:

It is a great pity that the word "scab" ever dirtied the pages of a workman's newspaper. It is a filthy term in its present meaning—objectionable every way you look at it. It should never be used by one man in reference to another, no matter how bad the other may be.

And he added:

There are four words which will be fondly remembered by us when we are old men, and when the A.W.U. will only remember with shame that so many of its members were foolish and ignorant enough to use and admire such words as "scab" and "Skitely Wing." These four words—"chum," "jolly," "mate" and "sweetheart"—will never die.¹

But Lawson, too, was stirred to something like advocacy of violent measures;

So we must fly a rebel flag,
 As others did before us,
 And we must sing a rebel song
 And join in rebel chorus.
 We'll make the bankers feel the sting
 Of those that they would throttle;
 They needn't say the fault is ours
 If blood should stain the wattle.²

While Holman's activities brought him much kudos from a large section of Labour supporters, strong personal criticism was directed at him by the single-taxers, who were furious at his unqualified condemnation of Henry George. One of them wrote to the *Worker* declaring that he felt "like booting Holman and Co." Holman was criticized even for his exposition of the utilitarian theory of the greatest good for the greatest number. His argument was sound enough, but it provoked the comment that, "Judged from the Holman standard, the crucifixion of Christ, the poisoning of Socrates, the massacre of the Huguenots in France, and every other act of legislative infamy ever perpetrated was right."

To these attacks in the *Worker* Holman replied smartly, but his manner remained too dogmatic and bitter. He said that his critic "has apparently no assistance of any kind of learning or even reading", and that "he clearly hasn't got the faintest idea of what the utilitarian theory is, and yet by mere force of genius guided only by that spontaneous and flickering illumination that the 'thinker' of New South Wales is able to generate internally . . ." etc. Holman added that his opponent argued "with all the rash precipitancy of uncultured ignorance. . . ." "If," said Holman, "my opponent complains that I am not answering his argument, I can assure him that I have no intention of doing anything of the kind. You don't argue with a man who says he has never seen the earth going round; you recommend him to a good night school. So in this matter."

Holman's propaganda work was extended into the country districts, and during 1893 he visited Bourke. He deprecated the melodramatic interpretation that:

A Socialist was a blood-thirsty individual, anxious for a revolution so that he might profit by the result: or else a lazy, discontented, good-for-nothing fellow, who wanted to get rid of the little property he had quickly, in order to lay claim to a share of any property his industrious neighbour might possess; or one who believed in cutting the land out into square blocks and giving each individual one, somewhat after the three acres and a cow system proposed for Ireland.

But although these meetings were successful, the bitter tone of Holman's

newspaper duels continued. For Holman's benefit, so it said, the *Worker* published a cleverly written sketch "As the Sun Goes Down". It was based on the story that the workers, having decided to build the Temple of Freedom, boasted of the nobility of their work and of the splendours of the temple to be. Whereupon they began to dispute about whose name should head the honour roll of builders which through countless ages was to be preserved within the walls. And a further argument arose as to whether the temple should not be dedicated to Justice rather than Freedom. There was much bitterness and angry discord. Suddenly they heard the sound of ringing blows. They found that one of their number, a silent old man who had taken no part in the wrangling, had stolen away quietly and was hewing out a channel so that the place might be drained:

Sweet and wholesome. And we grew suddenly silent for very shame. The evening sun is setting fast, and we know that we shall never build the Temple—never see its sunlit battlements—never gather within its walls, but we work on in silence—cleaving the jagged rocks—clearing away the accumulated rubbish—hewing out the deep foundations—trusting that wiser and worthier builders will follow us, and that sometime—when we know not, by some hands, whose we care not—the Temple will be completed.

In arguing with the socialist group, the single-taxers had displayed an equal facility in invective. They denounced our "autocratic young friend My Lord Holman and Bumptious Beeby" and asserted that they both suffered from the disease called "big head" and needed the application of strong medicine. "Holman," they said, "does not require so large or forcible a treatment as Beeby. He being a younger man, it is easier to administer his medicine than Beeby's, who requires large and strong doses quick and often."

The editor of the *Worker* at last put his foot down:

We really can't stand any more of this sort of "argument". If our friends Holman, Beeby, Bob McCook, "F.C." and the rest of our menagerie will just read and ponder over the allegory, "As the Sun Goes Down", published in this issue, they will perhaps feel ashamed of themselves. Any further correspondence on this subject must contain argument, not personal compliments.³

But Holman was not content to let his opponents have the last word, and he wrote:

Just a final word. I have followed your advice and read F.C.'s "As the Sun Goes Down" and *that* is the kind of thing that I agree with. But I cannot take it as reproof. Let them take that to heart who *start* quarrels with their brother-reformers. This I have never done.

Finally Holman argued that his main anxiety was to prevent the free trade-protection issue from smashing the Labour Party:

Whoever is in favour of Land Value Taxation, he is my comrade. I go further, it is true, but I go but one step at a time. And I hold that it is possible even now for all the workers to unite on this one point. But whosoever insists on tacking on to Free Land the utterly irrelevant demand of "Free Trade" and thereby helps to perpetuate fiscalism the cause of the most damnable schism that has ever existed in the ranks of the workers in this colony, with whatever motive, helps forward the interests of Monopoly.

CHAPTER • VI

CONTROLLING THE LABOUR POLITICIANS

LATE in 1893 the Labour Conference addressed itself to the task of laying down the disciplinary rules which should be observed by its representatives in Parliament. The failure to define them before the snap election of 1891 had led to a disastrous split in the parliamentary Labour Party and to Dibbs's continuance in office. Now there were opposing counsels. W. G. Spence, who was the main controller both of the shearers' organization and of their influential weekly, the *Worker*, agreed that the pledge issue would either make the movement or break it, but opposed the suggestion that all Labour members must vote as a solid unit upon all questions. He said:

Supposing that it is decided that the party is to vote solid on all questions and we find when they are returned that they do not do so, what is the effect? It is that their moral influence is weakened and division created, one calling another blackleg, etc. Unless you could turn the member out who defaults it is no use trying to bind him. The man who votes against the majority of his party is not likely to do so unless he feels sure that his constituents are with him, hence he will not be turned out by them. What we need then is active, well-organized leagues in each constituency, and then there will be no traitors.¹

Joseph Cook, who represented the coal-mining electorate of Lithgow, was acting as leader of those members of the parliamentary Labour Party who were opposed to Dibbs. In such capacity, Cook was invited by the executive of the Labour Electoral League to attend the conference of November 1893, at which 170 delegates were represented and J. C. Watson was chairman. Subsequently it was alleged that a number of the delegates represented Labour leagues so tiny as to be little more than family groups. For instance, a legend grew up that, in order to obtain an extra supporter, Holman and Hughes visited the seaside resort of Manly on the afternoon of the day of a critical vote, addressed a small gathering of passers-by, induced them, or some of them, to form themselves into a local branch of the Labour Electoral League, and to appoint a delegate to the conference; whereupon they conducted the astonished delegate to the city so that he might vote in the only correct way!

There is no doubt that Holman's influence at the conference was great. On the whole he was hostile to the Labour parliamentarians. He seems to have contended that the allowance of the Assembly member, £300 a year, was excessive. He certainly suggested that a Labour member should be precluded from representing the same constituency for more than one Parlia-

ment. Subsequently he looked back upon these suggestions as the product of too eager an enthusiasm. George Black was resentful and said that the allowance of £300 per annum was "a sour bunch of grapes to many an outside fox". "I am inclined to think," he added, "that most of our detractors know little of our aims and still less of our achievements and are dishonest enough to shut their eyes to all recollections of either."²

The first business of the conference was to discipline those Labour members whose support to Dibbs on vital divisions had been responsible for the permanent split in the parliamentary party and its consequent ineffectiveness. Holman's proposal was that they should be regarded as "traitors to the sacred cause they were elected to support, and treated with undying hostility". Holman easily carried the conference with him when he pointed out that these Labour protectionists had chosen to keep Dibbs in office although they had been elected in order to support the Labour programme. As it turned out, the hostility so formally declared was not "undying", for several of the expelled Labour protectionists were subsequently readmitted to the party. This first resolution excluded the Labour protectionists from standing as official Labour candidates in 1894.

But the more important question remained, whether the conference should require from future Labour members of Parliament a "solid" and unambiguous promise to vote on all important matters in accordance with the will of the caucus majority.

Holman's resolution was in the following form:

(A) That a Parliamentary Labour Party to be of any weight must give a solid vote in the House upon all questions—affecting the Labour party, the fate of the Ministry or calculated to establish a monopoly or confer further privileges on the already privileged classes—as they arise, and

(B) That accordingly every candidate who runs in the Labour interest should be required to pledge himself not only to the fighting platform and the Labour platform, but also to vote on every occasion specified in Clause (A) as the majority of the parliamentary Labour Party may in caucus decide.

By a decisive majority this resolution was carried. It turned out to be of great importance in the history of Australian politics. But extreme resentment was created when the conference majority cut short debate by carrying the closure. For these tactics, W. G. Spence, in the *Worker*, bitterly attacked Holman:

One of the worst features of the proceedings of the Conference was its application of the gag. Those who used it are often heard loudly and earnestly denouncing the same principle when used by others. The present system of party government, the Upper House, the suppressing of truth by the capitalistic press, sectarianism in politics, and a number of other evils are the application of the gag to prevent an expression of the people's will.

Many years later, Spence reiterated this criticism of Holman, asserting that the conference of 1893 "did much harm to the cause", in that the form of pledge favoured by the Central Committee was forced on the conference "in spite of the fact that the men who had had experience in the House pointed out its impracticability".³

George Black's opposition to the resolution was based upon the argument that there might not be sufficient time for a caucus meeting to be held before the decisive vote in Parliament had to be taken.

For many years, both before and after the accession of the Labour Party to power in the Commonwealth and the States its opponents condemned the Labour pledge and its place in the caucus system. But, in the main, Holman's attitude was vindicated. Spence himself signed the Federal pledge and thereby undertook that on all questions affecting the platform of the party he would vote as the majority of the party decided at a duly constituted caucus meeting. Black's minor point as to the difficulty of holding a caucus meeting before a vital vote, was rather unconvincing. In practice such occasions would be very few in number, for as a rule there would be ample time. It must be conceded that part (A) of Holman's resolution of 1893 was not perfectly drafted. But its general intention was crystal clear. His point was that occasions were bound to arise when some question of great public importance, not expressly dealt with in the platform, had to be faced, and the fate of an existing Government would often be involved. It might well happen that the Labour Party had a working arrangement with the Government to give it support in return for the carrying out of important parts of Labour's platform. Suppose, Holman argued, that the Government was about to be censured by the Opposition because of some administrative act of the Government which had elected to treat the vote as vital. In such a case, the Labour caucus should debate the whole matter, having regard both to its general agreement with the Government and to the matter of administration which was the subject of censure. It should then decide either to support or oppose the vote of censure with a view to obtaining the results which were the most satisfactory from the party's point of view. The administrative matter in question might raise an issue of vital importance to the movement or of no importance whatever. In any event why should the party split on it? Admittedly, time might not permit of a full caucus, but in that case the rules of the caucus should provide what was to be done in the emergency. But usually, having regard to the slow pace at which the cumbrous parliamentary machine worked, there would be ample time for debate. "If," said Holman, "the Labour Party divides into two parts upon every question which is not dealt with expressly by the written platform, it will always be at the mercy of any Opposition leader who can draft a trap amendment." The anti-Labour record of the Dibbs Government

had demonstrated the necessity for solidarity, and, unless drastic action was taken at once, Labour would be discredited and permanently broken up.

W. M. Hughes was closely associated with Holman in the carrying of the vital pledge resolution in 1893. Many years later, Hughes in his *Case for Labour* justified the employment of the pledge, but argued that no member of the party was bound by caucus decisions as to matters which were not included in the party's platform.

But the conference resolution of November 1893, as advocated by Holman and Hughes, was not, like the Federal pledge of 1908 to which Hughes was referring, confined to "questions affecting the platform". Further, in the 1893 resolution, members were to be bound in relation to all questions "affecting the Labour Party"—a phrase of wide and vague import. W. G. Spence also argued that the phrase "calculated to establish a monopoly" involved the fiscal issue because the introduction of protection might be "calculated" to give a monopoly to a particular manufacturer, whereas a removal of a particular duty might operate to give an importing firm a practical monopoly. But J. C. Watson, as President of the Labour Electoral League, boldly replied that if any fiscal issue "involved the defeat of a Government" then "the Labour members were expected to vote as the majority might decide".

Holman endeavoured to reply to various attacks upon him in the *Worker*, but the paper announced:⁴

We have received from Mr W. A. Holman seven pages of closely written matter, in two or more varieties of handwriting. Too late for this issue, and too abusive for any other. The article is supposed to be a defence of the action of the recent Conference, but is mainly abuse of "H.M." and his criticisms of the conference in last week's *Worker*. W.A.H. calls "H.M." a liar, accuses him of "malignancy", "wild frenzy", "palpable lies", "easily discernible prejudice" and uses dozens of similar choice epithets. The editor is desirous of giving fair play to both sides, but has no room for abuse, and would therefore suggest that friend Holman should call round to the *Worker* Office, where a meeting can be arranged with "H.M." say early next week. After cooling his hot young blood on "H.M.'s" stalwart frame he can take his manuscript back, boil down and strain it through a square yard of wire netting to remove the rocky language. We guess there will then be room in the *Worker* for the few paragraphs that get through.

At this moment, efforts were being made to effect a compromise on the pledge issue between the Labour Electoral League Executive and the parliamentary Labour Party, the majority of which, following Cook and Black, refused to accept or sign a pledge in the terms of the November resolution. Holman was particularly anxious that his personal attitude on the "solidarity" pledge should not be mistaken. He revised his letter, and on 9 December 1893 the *Worker* congratulated him "on the improved tone" of his letter

and suggested that perhaps someone else was responsible for the offensive portions of the first draft. "I am not over particular about my reputation," said Holman, "but I can afford to leave (offensive) remarks the undisputed monopoly of the men who introduced the language and manners of the larrikin into the Labour Conference."

George Black strongly attacked the solidarity pledge. "The man," he said, "who thinks that he ought to be in Parliament, at times seems to imagine that he can only get there by denouncing Labour men already there . . . meantime the Cause runs a risk of again being trampled in the mud." Meantime the weekly *Workman* strongly supported the solidarity pledge, arguing that the conference represented "the highest form possible of Labour organization at the time of its assembling". But in the *Worker*, the old attacks on Holman were renewed by the new editor, J. M. Day, who was a single-taxer. He wrote:⁵

Murmur the name of the new economic Messiah in subdued and holy accents—down on your faces in mother dust, groundlings! W. A. Holman—most eminent of iconoclasts. Hail, Holman, hail! Seer of the great new dawn, whose early beams have dazzled the eyes of lesser men like George, thy fecund brain hath conceived, matured, and borne the mighty truth which has sapped my rash faith in the printer economist of the Pacific Slope. Let old earth's bosom thrill with the cabled announcement of the Prophet's deposition. *Vale, George!* (Slow music, limelight effects, tears.)

And George Black was permitted to hammer away at Holman to his heart's content.

This early controversy over the solidarity pledge had many repercussions in later years when both Holman and Hughes were in Parliament, and attempts were made either by a representative conference or by an executive elected thereat to discipline them or other Labour members of Parliament. For instance, many of Black's arguments of 1893 were re-echoed by Holman in his criticisms of the New South Wales Labour Conference of 1911 which forbade all opposition to Hughes's proposal to confer additional legislative powers upon the Federal Parliament. At the time Hughes's proposal was not authorized by the existing provisions of the Federal platform. Later, too, the New South Wales Labour Conference of 1916 attempted to bind both Holman and Hughes by declaring unequivocally against military conscription for service overseas, although at the particular moment, the existing Federal Labour platform was silent on the topic of conscription.

CHAPTER VII

THE DECLINE OF DIBBS

WHILE the Labour Conference of 1893 was sitting, Dibbs was moving towards his political doom. On 7 December the Government was crushingly defeated upon a censure motion directed against Barton (Attorney-General) and R. E. O'Connor (Minister for Justice) both of whom had accepted briefs from a contracting firm (Proudfoot) *against* the State Railways Commissioners. By this time the old Electoral Act had been repealed and the old electorates no longer existed; but the new electorates had not been distributed over the colony, so that an immediate general election was not possible. So Dibbs hung on grimly, sacrificing Barton and O'Connor without a qualm.

Dibbs's shuffling attitude over the Proudfoot case was generally regarded as a presage of his own defeat. But the debating honours of the occasion were carried off, not by the Labour members, but by G. H. Reid, who, with J. H. Carruthers and former supporters of Parkes, was already advocating direct taxation of land and income and the repeal of Dibbs's scheme of taxation through the customs. It was not Labour's but Reid's star which was now approaching the ascendant.

For the workers were anxious and confused. The year 1893 had shown no improvement. Unemployment was rife, wages were still falling. Ordinarily such conditions assist every Opposition party to illustrate, if not to prove, the errors of a Government. But it was Reid's party which seemed more likely to capitalize the growing discontent. As the fiscal split gave place to the great question of the solidarity pledge, Labour appeared more divided than ever. Joseph Cook continued to lead most of the Labour members against the conference "solidarities" and he was determined to carry the fight into the electorates. It seemed certain that in many electorates there would be an internecine struggle between opposing Labour candidates; and even where there was only one Labour candidate the bitter pledge controversy threatened to cause disillusionment and loss of liberal support.

The Labour Electoral League executive, acting as the agent of the November conference, issued a manifesto pointing out that the six "rallying or fighting cries" of Labour for the 1894 elections would be:

1. Land value taxation. Cessation of alienation of Crown Lands. Tenant right to Crown leases.
2. Mining on private property. No royalties to private owners, nor compensation, except for damage done.
3. Abolition of the Upper House. Introduction of the referendum.

4. Local Government on a democratic basis.
5. National Bank—To secure State control of the national currency; to transact all ordinary banking business.
6. Legislative limitation of the working day to eight hours.

The manifesto stated that in the conference pledge proposed by Holman the words "questions affecting the Labour Party" should be read as "questions affecting the Labour platform".

Beeby now entered into the arena to defend Holman against Black's bombardments. He said that, "The Central Committee he (Black) had just discovered, consists of a clique of ambitious schemers whose one desire is to get into Parliament at the expense of the present Labour Party. The charge is unworthy even of George Black".¹ According to Beeby, no more than six of the Labour Electoral League executive were candidates for Parliament, and, "There is no originality in his (Black's) charges; they were conceived and brought forth by his favourite daily journals, and are being used by the National Ass. in conjunction with Mr B., for the purpose of disuniting the Labour Leagues". Black was equally venomous in his castigation:

Mr Beeby—surely some mistake has been made with the vowels in his name—shuffles. It may be true that out of over sixty councillors only six have been selected (a fair proportion out of the small number in the official list), but the question is: how many of the remainder are striving to be selected. I should say at least one-third.²

One of the six who *had* secured selection as a Labour candidate was Holman. The new Leichhardt electorate was an area carved out of the large Balmain four-member seat which in 1891 had returned all four Labour candidates. *Prima facie* Leichhardt should return a Labour man. But Holman's frequent denunciations of the single tax theory, his bold and somewhat ruthless leadership of the "solidarities", even the somewhat offensive manner adopted by him in his intra-party arguments, were operating to cause him much embarrassment and difficulties. Up to this point in his career Holman had received no great setback. It may fairly be said that his sudden rise to prominence and distinction had developed too much self-assurance, and his success as lecturer-propagandist and "solidarity" leader had aroused much jealousy.

During the Silver Jubilee Celebrations of the Labour Party in 1916, Holman, then Premier of the State, said, "We won in the early days because of the devoted self-sacrifice, the readiness of all to accept discipline, the suppressing of egotism, the claims of the egotistical. In one word, we won through solidarity and nothing else."

But, while Holman was right in insisting that solidarity had been the essential condition of any advance, the personal conflicts of 1893 and 1894 were quite as bitter as those of later days. His statement in 1916 is only

another instance of the unconquerable tendency of the human mind to obliterate the unpleasant fights of the past by submerging them in the deeper recesses of the mind.

In January 1894 Holman was duly selected by the local Labour League as its candidate for Leichhardt. The annual conference of the Labour Leagues was convened in March in order to try to avoid an open split on the pledge question. It was reported to the conference that the majority of the parliamentarians under Cook's leadership were refusing to sign the November solidarity pledge. J. C. Watson, who presided, said that, unless a compromise was agreed to, the general elections might prove disastrous. The compromise now proposed was to confine the pledge to questions "affecting the Labour platform"; but Holman and Hughes again took the lead and the decision of the November conference was adhered to by 47 to 25 votes. Next, Holman presided over the sub-committee which finally drafted the pledge. It contained a solemn promise that the signatory would not stand for Parliament if defeated in the league ballot, and would, if elected to Parliament, vote according to caucus decisions in relation to all questions affecting (i) the Labour platform, (ii) the fate of the ministry, and (iii) the question of monopoly or privileges; but he would be free on all minor questions.

The pledge issue was the main business of the conference; but the eight-hour plank, limiting the working day to eight hours, was amended by adding the qualification "where practicable".

One disturbing matter was raised which annoyed Holman and gave a further opportunity to his enemies. Holman, as a member of the Propaganda Committee, was closely interrogated as to whether he and Harry Holland (later Labour's leader in New Zealand) had guaranteed immunity to a non-Labour candidate in return for a subscription to the party. No hostile resolution was carried, but Holman provoked much criticism by his argument that upon the accepted theory of "spoiling the Egyptians" the Propaganda Committee should always receive subscriptions from non-Labour persons who were willing to assist the party's finances.

The decision of the March conference to adhere to the November pledge decision practically ensured a Labour split at the general election. In April Joseph Cook signed the official manifesto of the parliamentary Labour Party. Throughout, Holman was aimed at, though his name found no express mention.

The manifesto concluded thus:

The party has decided to submit the issue as between themselves and the unrepresentative, proxy-packed, and largely self-selected Conference to the democratic voters of the country. With the object of further explaining the attitude of the party on the grave issues involved, it is intended to hold meetings in various parts of the colony as opportunity offers,

Soon afterwards, a debate took place in the Sydney Domain where Holman and Hughes took the side of the solidarity ruling of the conference, while George Black put the case for the sitting Labour members. The large meeting favoured the views expressed by Holman and Hughes; but as most of those present were members of Labour Leagues or trade unions, the decision did not necessarily express the opinions of the general body of Labour voters.

Holman was frequently in the public eye, and special interest was taken in the Leichhardt election. The decision of the Labour parliamentarians to stand independently of the "machine"—it did not yet enjoy that name—meant that Holman was opposed not only by a free-trader (Hawthorne) who had a strong local following, but also by a sitting Labour member (G. D. Clark) whose chief claim to distinction was that in one session he had attended exactly 436 divisions out of a possible 436. Clark had not been locally selected, and his decision to run for this portion of his old electorate of Balmain meant that he could not win the seat himself, the ballot paper permitting only a single non-transferable vote. The only question was whether, by splitting the Labour vote, Clark's incursion would defeat Holman. The inference is that Clark was put forward by the parliamentarians mainly to defeat Holman.

There were other persons in the Labour Party who were more intent upon downing Holman in Leichhardt than upon assisting Labour candidates anywhere else. While the *Workman* defended the official conference attitude, the *Worker* strongly favoured the claims of the Labour members who had refused to sign the solidarity pledge. Clark said at Leichhardt that it was "protection disguised as socialism which was at the bottom of the trouble within the ranks of the Labour party".³ This was a shrewd blow at Holman. Meanwhile the clear-cut liberal policy of G. H. Reid, the Opposition leader, was in favour of "direct taxation of land, income and mortgages" and of sweeping out of existence the Dibbs tariff of 1892. As Reid was attracting radical support to Hawthorne, Clark was playing his cards to deprive Holman of the votes of the radical single-taxers.

CHAPTER VIII

HOLMAN LOSES AT LEICHHARDT

At a very critical point in the campaign, Holman was fiercely attacked for his alleged selfishness in standing for Leichhardt and thereby endangering a seat which was part of an existing Labour four-member seat. Leader in the attack was the *Worker* which said in February 1894:

The treatment of Mr G. D. Clark is a case in point. That gentleman has always been a fearless, straight goer in the Labour Cause, yet that effusive and extremely loyal to the Cause (?) individual, Mr Holman, must needs cause a split in the electorate by opposing Mr Clark, which action will probably lose the seat. If Mr Holman had the Labour Cause really at heart, he would at once retire from that electorate and seek another. There are plenty in the colony that can't get a suitable candidate, and some will go to the enemy for the simple reason that a suitable candidate cannot be procured.

The suggestion that Holman should seek a country seat came at a time which was far too late for the general elections of 1894; for not only did he have promises of strong support in Leichhardt, but, as was officially pointed out, he was already pledged, as the duly selected candidate, not to retire from the Leichhardt contest without the consent of the local Labour League. The executive answered the *Worker*:

If Mr Clark has the interests of Labour at heart, seeing that the League has not thought fit to select him, he should accept the offer so kindly made by yourself, and fight for the Cause in another constituency against the representatives of monopoly and privilege, and not oppose the selected of a league, as he is doing at the present time at Leichhardt.

Holman had antagonized too many persons for this official answer to escape rejoinder. For Arthur Rae, a sitting Labour member, alleged that Holman had not even signed the officially printed pledge:

Mr Holman distinctly stated that he had not signed the official printed pledge, but had signed a pledge mutually arranged between him and his League Secretary. He also stated that it was in his opinion impossible to at all times fully carry out that pledge, but he was quite prepared to work on the lines laid down therein until blocked by the impossibility of going further. I could repeat many more remarkable things said and done by this remarkable young man, who shows such versatility and ability in dealing with the truth.

On May Day 1894 Holman, together with Hughes, addressed a socialist rally in the Domain. Nothing Holman did could please the *Worker* which said it was not an appropriate time for such a celebration, for the Labour movement was too divided. It also emphasized that the main issue of the general election was Labour's attack upon land monopoly by taxing unimproved land values, and time should not be frittered away by a vague advocacy of international socialism. Late in May, a final attempt was made by the Trades and Labour Council to mediate between the parliamentary party and the political executive, and a modified pledge was proposed. But the main forces in the faction struggle were already engaged in open battle. Week by week, the *Worker* was attacked by the *Workman* and the *Workman* by the *Worker*.

In the result, Labour was surrendering to Reid the rich privilege of attacking the discredited and hopeless Dibbs. Reid's unequivocal declarations of policy were meeting with popular acclaim. Yet Labour was failing to take advantage of Dibbs's fatal errors partly because some of its protectionist members had supported him, but mainly because its two factions were concentrating their fire upon each other. Thus, despite the necessity of giving undivided attention to his own electorate, Holman was persuaded to assist in attempts to unseat sitting Labour members. He visited Lithgow, stronghold of Joseph Cook, in order to help organize a new "official" Labour League and to declare the old league "bogus". This attempt was a failure, a resolution being carried by the Lithgow miners that they absolutely refused to "suffer the dictation of a Sydney clique". The result of these diversions was that the Leichhardt area was not sufficiently canvassed and valuable time and energy were dissipated. One of the country Labour Leagues issued, and the daily Press published, a manifesto deploring:

... the wretched squabbling between the pledgites and anti-ditto, Rae and Holman for example using language in the dispute which would be ridiculously exaggerated if applied to McMillan or Lyne. Nothing is so likely to produce dry rot in a movement as this absurd excitement about what most of the combatants acknowledge to be the veriest trifle.

The personal conflicts between Labour and Labour lasted to the very end of the campaign. The executive of the Labour Electoral League issued a final appeal declaring that the only genuine Labour men were those officially endorsed, and that "all other professing Labour men are traitors to the cause". The parliamentarians countered this by similar assertions of treachery. The poll for Leichhardt took place on 17 July 1894. As was almost inevitable in view of the split in Labour's vote, Holman was defeated, and Hawthorne, the free trade candidate, was elected, the figures being:

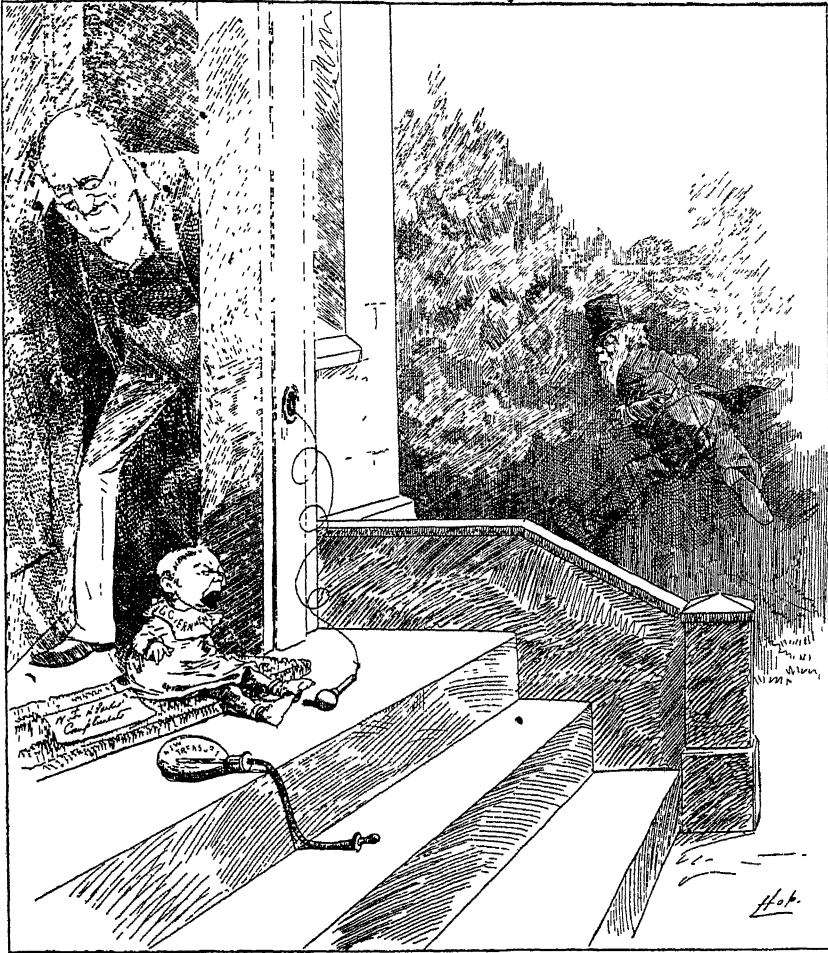
J. S. Hawthorne (Free Trader)	826
W. A. Holman (Labour)	731
G. D. Clark (Independent Labour)	372
R. B. Cropley	159
E. Purnell	95
E. Darnley	34
A. Wheeler	11
Informal	27

Hawthorne was a shrewd and experienced politician, having represented Balmain from 1885 to 1891. Now he was destined to hold the difficult Leichhardt seat from 1894 to 1904. One consolation to Holman was that he defeated Clark very decisively, and their figures show that, but for the solidarity split, either Holman or Clark would have won.

The expected happened to Dibbs. His following was reduced to 40 in a House of 125, whereas Reid increased the free trade group to 58. Throughout the metropolis the protectionists were routed. At first the result of Labour's faction fight seemed inconclusive. The official Labour candidates elected on the basis of the solidarity pledge numbered 15, but no less than 12 unofficial Labour candidates were elected including Joseph Cook, Fegan and Wood, all of whom subsequently became ministers in non-Labour Governments. Having regard to the reduction of members, Labour's aggregate membership of 27 was not unsatisfactory. W. M. Hughes entered Parliament by winning a Sydney waterside constituency. The official Labour Party elected James McGowen as leader, and he retained that position until 1913. Owing to Reid's brilliant leadership, Labour won only 7 of the 40 metropolitan seats, 2 of the 7 being Independents, including George Black. Barton was badly defeated at Randwick, and Dibbs himself just scraped in at Tamworth.

Holman announced to the *Daily Telegraph*: "I am quite satisfied with the result of the elections. Labour will be a small party but a solid one." At this time, he was not yet twenty-three years of age. Acting as unofficial leader of the "solidarities" before, during and after the contest, he was the target of many fierce attacks. His own defeat was due to the split, and any other "solidarity" candidate would have met with the same fate. But his defeat was a great disappointment to his family and himself. His parents had assisted in bearing the expenses of the campaign, and they were by no means in a position of security.

After the elections he and Hughes remained the head and front of the solidarity group. Therefore, Holman was one of the scapegoats for Labour's setback. A frequent gibe against him was that he was a careerist, Black quoting against him Sorel's famous dictum: "I can see in it not only a movement for the regeneration of humanity, but also a career." And Holman's own language—expressions such as "undying hostility" and "traitors to the



PARKES "RESIGNS" THE GOVERNMENT TO DIBBS

The *Sydney Bulletin's* interpretation of Parkes's resignation over a supposed question of "fundamental principle".

Drawing by "Hop".

sacred cause"; his philippics against Henry George and his followers—made it easy to assert that he was an impossibilist—a serious imputation in Leichhardt which was a seat more bourgeois than proletarian.

The Sydney Press was delighted with the apparent check to Labour. It forgot its advice to the unions before the 1891 elections and drew unsound inferences. Thus, the *Sydney Morning Herald* said:

This is significant in more ways than one. It suggests that the Labour representation movement has reached and passed its maximum, and in this our experience agrees with that of the Colony of Victoria. Labour representation in Parliament is growing smaller, and its future may largely depend on the use of the opportunity now afforded it. It is hardly likely that Labour members themselves will be blind to this ominous indication of the unwillingness of the electors to perpetuate separate class representation.

This comment overlooked the outstanding fact that in nearly every New South Wales constituency where there were three or more candidates, Labour was either second or first. None the less, having succeeded in obtaining the abolition of nearly 20,000 plural votes, Labour's showing was disappointing.

Holman was the recipient of much blame. Even in the not-unfriendly *Australian Workman*,¹ one favoured correspondent was allowed to attack him vigorously. The article, while paying a tribute to Holman's "undoubted ability", asserted that he "... will, in fact, be better out of than in the Legislative Assembly, until, at any rate, his youthful rashness and cocksureness have been somewhat toned down, and until he learns the A.B.C. of ethics. At present, his mind is so tainted with opportunism that he seeks to obtain ends, to his own mind good, by any means, however evil."

The article said that the rank and file of Labour supporters regarded Holman as responsible for the serious reverse:

An idea which had long had a resting place in my mind found frequent echo on Tuesday night last when, as defeat after defeat of Labour's cause was chronicled, men in the crowd grumbled: "This comes of the Central Committee letting Holman run the show." Undoubtedly, the disastrous defeats which Labour has suffered in so many of the metropolitan constituencies are due in a large measure to the overweening vanity and the hot-headed ambition of young Hotspur Holman.

It was also alleged that, long before the November Conference, Holman had eager eyes on the Leichhardt seat and so had every motive for forcing the pledge issue to a stage where G. D. Clark would lose the official endorsement:

Still, Holman is young; with sincere effort he can, in the future, do more good than he has done harm in the past. I hope that the effort will be made,

and that,—contenting himself with a position slightly inferior to a deity—he will in time to come, working “with” rather than “over”, devote his talents sincerely to the cause.

The writer, claiming that he wrote without malice or enmity, conceded that Holman was probably without equal in Australia as a speaker. But the sting was then added. “I honestly think,” he said, “that if the old women that revolve around him would leave off petting him for a year or two, and allow him to mix with men of mature mind, and be soundly snubbed for a like period, he would develop into a most useful member of society.”

This *Workman* article, though exaggerated, was by no means baseless. Holman’s personality and good looks—Archibald of the *Bulletin* called him “the pink and white young Englishman”—certainly made him a figure of special interest to politically-minded women, though at this time women had no votes. The *Workman* could not foresee that Holman and Hughes had rendered an enormous service to the Labour movement by fighting the pledge issue. Nothing but disaster could have happened to the Labour Party had such issue not been decided in favour of a solid party. And, in truth, those Independent Labourites who were re-elected were more discomfited than the “solidarities”, and most of them were soon ready to accept discipline from the official machine. Further, the general opinion of league and union members was undoubtedly in favour of Holman and the success of the Labour Independents was due in large measure to the fact that they were sitting members to whom, in case of doubt, many voters would give their support. Even Holman’s personal failure had within it the potency of success. He badly defeated the sitting Labour Independent. On the whole, however, he concluded that the representation of a city seat would entail special difficulties to its Labour member unless the seat was purely industrial in character. He also came to the conclusion that a daily Labour newspaper was necessary to prevent continuous misrepresentation of the aims of the Labour movement.

CHAPTER IX

A GREAT PREMIER

It is erroneous to attribute Labour's setback in the general elections of 1894 solely to the solidarity pledge issue. In Leichhardt, as elsewhere, Reid's personality and leadership were of enormous value to the free trade cause. Parkes had always disliked Reid who first contested East Sydney against the old free trade leader in 1880. On that occasion Parkes slurringly referred to "the candidate whom nobody seems to know". From the hustings itself, Reid retorted that, thirty years earlier, Parkes stood on the very same spot—"an unknown and untried man as I am today".¹ Only for the loyal support of the people, he added, Parkes would be a Chartist nobody instead of a K.C.M.G. In the event, Reid topped the poll and although Parkes was also returned he never forgave his more youthful rival.

On the evening of Reid's great electoral victory in 1894, Parkes tried to steal the credit for the victory. He drove in an open carriage around the Sydney electorates in which, one by one, free trade victories were being announced. This very crude device failed to impress. When Dibbs resigned, the Governor at once sent for Reid, who had borne the heavy burden of Opposition leader with skill and energy.

Reid was not a specially well-read man, but he had a much more important gift—a powerful imagination. He had an excellent vocabulary, the readiest wit, a method of direct and simple expression, and above all, the courage to carry out a clear popular mandate to enact urgently needed reforms, in all of which he sincerely believed. In a democratic country, it is not easy to prevent the success of such a man in such circumstances. Perhaps his very great though unexpected success made him a little too cocksure. But he enjoyed a record premiership until Holman and others, by depriving him of the premiership of New South Wales, also deprived him of the first prime ministership of Australia.

Throughout his struggles with personal foes on the free trade side and political foes on the protectionist Opposition, Reid received steady support from both groups of Labour members. Joseph Cook accepted a portfolio in Reid's ministry, although the *Worker* which had backed Cook against the "solidarities", had hoped that he would be strong enough to refuse the temptation. But although the official Labour Party strongly opposed Cook's action, the *Worker* said that Cook "had shown himself to be a straightgoer, and everything will depend on how he acts as a Minister".

In September 1894 there arose another industrial conflict between the Pastoralists' Union and the Shearers' Union. There were some serious dis-

turbances, and Reid wrote to the employees' organization asking them to discourage all attempts at violence. He said that the Government intended "before the next clip" to amend Dibbs's Voluntary Conciliation Act and to compel a judicial investigation by independent arbitrators of the merits of all industrial disputes. But the shearers were not impressed and Arthur Rae said that in view of the obstacles "such a measure even if passed by the Assembly, would assuredly undergo in its attempted passage through an Upper Chamber, composed almost entirely of pastoralists and bank directors, (Reid's) promise for *next wool clip* is nothing better than a mockery when applied to present conditions".

In January 1895, at the annual Conference of Labour Leagues, Holman represented Leichhardt. He was appointed Chairman of a committee to recommend a better system of selecting Labour candidates. The conference decided that the Central Council should be empowered to annul any selection if anything in the candidate's conduct rendered it advisable. Holman's insistence upon the retention of the solidarity pledge aroused the ire of the *Worker*. That journal had become increasingly hostile by reason of Holman's support of the new *Daily Post* newspaper, with which the *Worker* management was in no way connected. It said:²

Mr Holman whose rhetoric—or the windy verbosity that does duty for it—leaves no room for logic, advanced some very peculiar arguments. Venturing upon a philosophy of his own, and speaking from the wide experience he has had, he contended that there was no more fatal error in politics than, when an effort had been made and failure experienced, to think that success was to be gained the next time on different lines. As things acquired the hallowing recollection of a long past they became effective. "Hallowing recollection"—say, of the quixotic journey of the L.E.L. delegates to Lithgow—is good. This is true old Tory argument.

The *Worker* insisted that Labour's failure at the elections of 1894 was due to lack of unity, and that the pledge should be modified. To this course Holman was resolutely opposed. Further, Holman was opposed to any further strike in the shearing industry during the period of unemployment and acute depression, and he said so. This, too, the *Worker* strongly resented:

Mr Holman's want of logic was so marked as to be ludicrous. The L.E.L. most signally failed, yet it is to be allowed time to become hallowed. Unionism, according to this oracle, is not the power it was; therefore, it is not to be "hallowed" but discarded in politics. Surely what is sauce for the goose is sauce for the gander, but it is hopeless reasoning with a man who first forms his conclusions and then squares the facts to justify them.

But Holman's general outlook was to some extent supported by W. P. Reeves, New Zealand Minister for Labour, who was then visiting Australia.

He considered that the Labour movement of Australia must obtain regular supporters outside the ranks of manual labourers and should set its face sternly against strikes, bringing forward a legislative scheme of compulsory industrial arbitration.

Although its first session was well advanced, the Reid Government had passed very little legislation of importance. W. M. Hughes predicted that, despite Reid's unequivocal mandate, the Council would take the extreme course of rejecting his financial measures which included the sweeping away of nearly all of Dibbs's customs taxation and the imposition, for the first time in the history of the colony, of a land and income tax. This prediction proved correct.

In spite of its slow legislative progress, the Reid Government was hailed by W. M. Hughes as a great improvement upon its two predecessors. He contrasted Reid's impartial attitude towards an industrial dispute at Greta with that of the Parkes Government which had dispatched gatling guns to the southern coal-fields. Hughes said:

They were bound to consider whether the Reid Government was in earnest or whether it was relying on the well-known tendency of the Upper House to throw out all useful legislation. If the Government were in earnest it would not go on month after month postponing the struggle between the two Houses, but it would elect to take up that struggle on the Coal Mines Regulation Bill.³

When Parkes encouraged the attempt of the conservative forces to put Reid out, Holman attacked the "Grand Old Man":

Parkes's statement that the present Ministry is incompetent, comes oddly enough just now, when the long and important Direct Taxation Bill has just been successfully engineered through the Assembly, and the Land Bill, spoiled and truncated by the Legislative Council, but still with life in it, awaits final treatment. When did the Member for St Leonards ever do as much in a session, or anything at all, for that matter? To attitudinise and spout are his sole qualifications, and when, from such legislation as he has passed, the original work of other people is deducted, his political record is seen to be as barren as his turgid, bombastic and egotistical orations.⁴

The possibility of a dissolution over the Upper House issue induced independent Labour members to offer an olive branch. In April 1895 negotiations took place between the L.E.L. and a new political Labour federation which was being organized mainly by country Labour members. It was proposed that the Labour organizations should unify under the name of the "Labour Political League". Finally, under the name "Political Labour League", which it was to retain for over twenty years, unity was effected, and those who had fought against Holman's "solidarities" of 1894 edged back into the party. The pledge as re-drafted took the form of a promise by each Labour candi-

date to the Political Labour League as an organization; and the candidate bound himself:

... on all occasions to do my utmost to ensure the carrying out of the principles embodied in the Labour Platform, and on all questions, and especially on questions affecting the fate of a Government, to vote as a majority of the Labour Party may decide at a duly constituted Caucus meeting.

•According to George Black:

The Solids discovered that it was impossible to caucus on every question which arose; that it was especially impossible to give a solid vote in the House on suddenly sprung proposals which might seem calculated to establish a monopoly or to confer further privileges on the already privileged classes; that the splendid moral effect of voting solidly on all questions was unattainable; and that the Labour Party outside the House must always leave something to the judgment and honesty of those who were returned—they could not bind themselves hand and foot. And so the Conference of 1895 fully acknowledged that the Conferences of 1893 and 1894 had been wrong, and that those of us were right who opposed the pledges of those years—not because we objected to the pledge, but because we would make no promise which could not be kept.⁵

Black's comment was very wide of the mark. In point of fact the new pledge was quite as rigid as that of November 1893. The obligation imposed upon the member was to obey the caucus decision "on all questions", not merely on the important questions defined by Holman in the pledge of 1893. Further, as the parliamentary experience⁶ of the Labour members broadened, it became plain that there was always time to hold a caucus and that it was practically impossible to spring a surprise question on the House. In truth, except in the narrowest verbal sense, it was Holman and Hughes who were vindicated not Black and his colleagues.

In June 1895 Reid obtained a dissolution, having completely deceived the Upper House by his assumed tone of timidity. The issue he proposed was, not only whether the Upper House should be allowed to interfere with the Assembly's financial measures, but also whether it should not itself be radically reformed.

At once the Political Labour League declared its readiness to face the electors: "Labour," it said, "has now closed its ranks, united in one political organization, and now appeals to all workers and true democrats to rally for the coming struggle." It argued that in the short Parliament of 1894-5 the working unity of Labour members had been of great significance, and it re-defined its attitude towards the Upper House:

The attitude of the Labour Party on this point, as on others, is unchanged. The party would never consider an elective Upper House as a reform, but in

the event of being unable to secure its immediate abolition and the substitution of the referendum, would be inclined to support any measure curtailing its power and taking from it the power of veto.⁶

Reid also warned the electors of the danger of an elected Upper House. As an alternative, he advocated (i) the limitation of a councillor's tenure from life to five years, (ii) a maximum membership of sixty members, (iii) appropriation Bills to be entirely in the hands of the Assembly, and (iv) Bills of taxation or finance to be subject to amendment, but with the final decision resting with the Lower House. With regard to all other Bills, Reid proposed that a Bill accepted by the Assembly and rejected by the Council in two successive sessions should be submitted to the people by referendum when, providing 100,000 electors voted, the majority should prevail. Reid paid an impressive tribute to the Labour members:

These members stood loyally by me, knowing full well all the risks and consequences of a dissolution. If they had not gone straight, if they had weakened in their support, knowing that our cause meant an inevitable conflict with the Upper House, or if they had yielded to the blandishments of Sir Henry Parkes—and they were many—our position would not have been so strong today as it is.

And he emphasized over and over again that it was manifestly unjust for the working classes alone to bear the burden of taxation:

The working classes are spoken of as selfish and grasping. But they have gone on for nearly 40 years bearing nearly twice their share of the taxation of the country without organised opposition to the positive injustice affecting them. Put that alongside the conduct of the Legislative Council, and I would like you to tell me which is the narrow, selfish, grasping class in the community.⁷

From January until March 1895 Holman, who had been appointed a director of the new *Daily Post*, was busy in its organization and its day-to-day financing. He did not anticipate that Reid would spring such a surprise on the Upper House. His parliamentary plans were based on the assumption of a general election in 1897. Owing to the bitter contest at Leichhardt, he had it in mind to contest a country electorate, and the electorate of Grenfell had been suggested to him.

The town of Wyalong had sprung up after the discovery of gold there in 1893. There was a good deal of rivalry between the Wyalong and Grenfell Labour Leagues, and in April 1895 the Central Executive was asked to determine for selection ballot purposes the eligibility of many recent arrivals at the gold rush. Holman was officially invited to visit the Grenfell League. He announced at their meeting that, in view of his *Daily Post* work, he was not

in a position to submit his name as a candidate. He was conscious of the rivalry between the two Labour Leagues, and he desired to avoid at all costs any repetition of the Leichhardt factional bitterness. Next visiting Wyalong, Holman discovered that the editor of the *Worker*, J. M. Day, single-taxer and very bitter critic of Holman's lectures and writings, was being put forward as a prospective Labour candidate. Day's intrusion raised Holman's combative instinct, so he decided to face a ballot, especially as an early general election now threatened. Despite strong support for Day, Holman's brilliant speaking carried both leagues and he became the selected and endorsed Labour candidate.

Early in July 1895 the consolidation of the solidarity and independent sections of the Labour movement was celebrated by a great meeting in the Sydney Protestant Hall. Here Holman spoke, indicting the Upper House, and dealing forcibly with the fiscal question:

The curse of the protectionists had been that they had protection for revenue purposes only, and the land tax would be a curse unless it was carried to its logical conclusion, which would not be reached until the lands now compulsorily held in idleness were forcibly turned into use for the benefit of the people. In fact, land value taxation would be a failure unless it either compelled those who held idle land to use it, or compelled them to give it up to those who would, and who were eagerly waiting the opportunity to use it. The power of the Labour party was conclusively proved by the fact that they had forced the Government to go to the country.⁸

He would have been better advised to forsake city meetings and to concentrate upon the organization of his large and very distant electorate. On this occasion both R. Vaughn and G. H. Greene were nominating. Until his defeat in 1894 Vaughn had represented Grenfell continuously for twelve years, and Greene had also been its member. Greene announced himself as an independent free-trader, but he was strongly in favour of Reid's leadership.

When the general election was forced, Parkes decided to make a last desperate bid for power by opposing Reid in the King division of Sydney. Parkes and Barton both addressed a pro-Federation rally where they condemned Reid for having sacrificed the sacred cause of Federation to "small things", meaning thereby social and fiscal reform in New South Wales.

The attempt of Parkes and Barton to side-track Liberal reform by introducing the Federal issue was a complete failure. Holman and Hughes argued that it was absurd to postpone local reform until Federation, which might place the people of Australia even more under the thrall of land monopolists than they were at present. The Labour campaign was concentrated upon the issue of the nominee Upper House, upon its rejection (i) of the Navigation Bill which gave the seamen the right of representation upon the board and

(ii) of the Electoral Act amendment which would have terminated the unfair disfranchisement of thousands of voters on highly technical grounds. The city protectionists were desperate, and some Labour meetings were broken up by organized gangs. But Reid's cry—"Clear the fossils out"—was echoed everywhere. The National Association favoured Dibbs and Parkes because many wealthy backers feared direct taxation. But the Dibbs-Parkes entente was regarded as an unholy one, and Dibbs's democratic career was compared to that of Henry Lawson's "Billy Blazes" who, first elected for the country town of "God-Forgotten", had soon forgotten all about Australia:

Now the great Sir William Blazes lives in London, 'cross the waters,
 And they say his city mansion is the swellest in West End,
 But I very often wonder if his toney sons and daughters
 Ever heard of Billy Blazes who was once the "people's friend"—
 Does his biased mem'ry linger round that wild electioneering,
 When the men of God-Forgotten stuck to him through thick and thin?
 Does he ever in his dreaming, hear the cry above the cheering
 "Vote for Blazes and Protection, and the land you're livin' in"?

The result of the elections was a striking victory for Reid, who won 62 out of the 125 Assembly seats—nearly an absolute majority. Labour was successful in 18 seats, and the protectionists in only 45.

At Grenfell, the earlier returns gave Holman a small but hopeful lead. The final figures were:

G. H. Greene (Free Trade)	664
W. A. Holman (Labour)	551
R. M. Vaughn (Protectionist)	147

As compared with the general election of 1894, Greene increased his vote solely at the expense of the protectionist candidate. The returns in this country electorate of Grenfell were typical of the voting all over the State. In the metropolitan area, the protectionist vote greatly declined.

In King division Reid defeated Parkes comfortably, and at Leichhardt, Hawthorne, Holman's old opponent, easily defeated his Labour opponent. Not only was Dibbs's party vanquished: he lost his own seat to the free trade candidate, A. B. Piddington, then a rising young barrister who throughout a long and distinguished public career was destined to carry the flag of liberalism and social reform.

CHAPTER X

THE DAILY POST AFFAIR

As early as 1893 Labour organizations and speakers were emphasizing the necessity of having a daily newspaper which would express Labour's views. And the *Worker* said: "You can't expect the *Evening News* to whoop for you any more than the fat man can expect the *Worker* to barrack for him." There were two methods of carrying out a newspaper scheme. One was by the promotion of a company of individual shareholders. Many Labourites regarded this as undesirable, suggesting that the better method was to have trade union control with trade unions as the only shareholders. As the organ of the Bush Workers' Union, the *Worker* strongly criticized the attempt of the *Australian Workman* company to organize a Labour daily company without guaranteeing permanent union control. J. C. Watson, the *Workman's* company's Chairman, protested against the *Worker's* frequent publication of complaints against the share organization which the *Workman* was about to undertake. The Australian Workers' Union was itself considering the publication of a Labour daily, and during the general elections of 1894, a small daily sheet produced by the *Worker* actually appeared. In spite of this, the *Workman* organization was determined to proceed independently with the proposed daily, which was to be called the *Daily Post* but which, owing to the many postponements of its first physical appearance, was nicknamed the *Daily Ghost*. J. C. Watson, as chairman of the *Workman* upbraided the *Worker*:

As to your opinion "that the *Post* scheme will come to nothing" you, of course, are entitled to hold it if you choose; but surely it would have been more in consonance with your reputation as a journalist of the first rank to have ascertained at first hand the actual state of affairs before publishing a view antagonistic to a scheme only planned in the interests of Labour, brought to its present point with an infinity of trouble and anxiety, and which, if not carried to a successful issue, certainly will not fail through the fault of those responsible for its initiation.

The first *Daily Post* was published in Sydney on 9 January 1895, as an evening daily. Its declared object was to give "temperate expression to the industrial and political aspirations of the workers". It announced:

The *Daily Post* will occupy a sphere neglected by existing journals. It will strive to purify the ideals of the people; encourage their legitimate desires; strengthen their just demands; and guard their liberties against every form of encroachment. It will be the aim of the *Daily Post* to distinguish itself by the reliability of its news and the equal treatment it will give to every party.

From the first, therefore, the paper did not pretend to be a mere organ of Labour opinion. All its early issues contained prospectuses of the company's 10s. shares, a subscription to which required only 1s. to be payable on application and 1s. on allotment, the balance being spread over an eight months' period. On 13 January a general meeting of the company was held for the purpose, as the chairman spoke somewhat naively, "of reviving interest in the organizing work which has been somewhat neglected". However, "he asked the shareholders to rally round the Directors by resuming payments of moneys owed on shares already taken up. If they did so no difficulty would be experienced in placing the company on a sound commercial basis". Holman, who had been working very hard for the paper, told the meeting of the directors' anxieties during the past twelve months, and hoped the board would now be supported.

In February 1895, after a month's publication, the company urged its shareholders to make immediate payments on all share liabilities. It added a singular admission of carelessness: "The directors did not press the shareholders to pay before the paper was published, feeling that the desire many shareholders expressed to see the journal in existence before completing their investment was natural and reasonable." Despite this serious demand for the payment of long overdue call moneys, the management openly laughed at itself for its foolish confidence: "They had," it was announced, "in a weak moment entrusted the costly incidental preparations to persons who knew nothing about them; who were as fit to conduct the affairs of a newspaper as to administer the exchequer of the Kingdom of Heaven."

The phrasing of this managerial announcement is very characteristic of Holman's style, and probably he was the chief draftsman. But the situation showed no improvement, and on 13 February Ellis, the manager, resigned his position, the resignation being featured in the *Daily Post*. In March the directors announced that "unable to meet their liabilities or pay their work-people, (they) found themselves yesterday compelled to permit the formation of a new company to acquire the machinery, plant and other assets which had been foreclosed upon by the mortgagee". On 29 March appeals were published in the paper for the payment of call money, but the rot had set in, and nothing more could be done. Finally, on 1 April, a not altogether unsuitable day, a new *Post* company was announced, but the issue of the *Daily Post* which was then published was the last.

Unfortunately for Holman, the venture did not end there. He had spent an enormous amount of time in the endeavour to attract Labour support to the company. In return, he had received nothing. Now he was about to have his entire connexion with the company subjected to a most searching investigation, and for him, both 1895 and 1896 were to be years of disaster. Having failed to win Grenfell in July 1895, he found himself in the following Nov-

ember, together with his six *Daily Post* co-directors, charged with having conspired to defraud one Hislop and his wife of certain sums of money. At once a defence committee was set up by some of the unions and leagues, every one connected with the Labour movement realizing that, whatever negligence had been shown, there had been absolutely no dishonesty.

At first it seemed that the prosecution would break down during the preliminary committal proceedings. Finally, despite much hesitation, the magistrate decided to commit for trial. He said:

The defendants deserved sympathy in the predicament in which they found themselves, but he felt that it was his duty to send the case on to a jury. He would, however, grant the lowest bail possible. If the cases could come within his jurisdiction he would dispose of them in a very summary manner. He would have discharged them if he had not considered it his duty to send the case before a jury.¹

The facts upon which the prosecution was based were as follows. In February 1895, after publication had commenced, the company was in financial straits. It was reported to the directors that an enthusiastic shareholder named Hislop, and his wife, would lend the company £200 if sufficient security were forthcoming. At the trial Hislop said that he was informed by one of the directors, not Holman, "We're all working men and won't see a working man let down. We would not mind seeing a capitalist let down, but we will never see a working man let down." Hislop was told by the directors, so it was alleged, that the directors would give security over the "free share capital". At the time, £3500 was owing by shareholders to the company in respect of calls due but unpaid. On 4 February 1895 the directors agreed in writing to pay into the Hislops's bank account all moneys received after that date on account of share capital. But practically nothing was received by the company and Hislop, receiving nothing, complained to Holman. Holman took him to the company's solicitor who insisted that Hislop should have independent legal advice. Hislop said that Holman then informed him that some of the share capital had been already mortgaged, as was the fact, share capital issued during the previous year having been charged to secure the compositors' wages. A mortgage in Hislop's favour was then prepared, the security being the share capital issued after the mortgage to the compositors. From this source, the receipts payable to Hislop aggregated only £77 when the company's liquidation took place. Hislop laid a criminal information against the directors on 5 March 1895, but upon receipt of £50 from the company and a promissory note for £148 signed by the directors, he withdrew the proceedings. Later in the year, he read a newspaper report of the liquidation proceedings and he then instituted fresh criminal proceedings against all the directors.

The facts above stated were subsequently summarized by the trial judge. It should be added that Hislop obtained security for the payment of the £148 promissory note by accepting a mortgage over some land belonging to one of the directors, and that it was only when the first instalment of the promissory note was not met, that the second criminal prosecution was commenced. Throughout the trial, the only positive misrepresentation alleged was that, in the presence of some of the defendants, one of the directors told Hislop that the share capital he would take as security was "free share capital". But the only witness called to corroborate Hislop on this point contradicted him, and, thereupon, the counsel for the directors, A. H. B. Conroy, assured them that their own evidence would clinch the case and an acquittal was certain. Unfortunately, however, much irrelevant and extraneous matter as to general mismanagement had been allowed in evidence. This had nothing to do with the single charge laid—that of conspiring to defraud the Hislops—but it was very damaging and most prejudicial to the accused.

In his summing up to the jury, the trial judge said:

The whole case could be summed up into this—Was this company in a hopeless condition? Did the accused get this money as a loan—a voluntary loan on the part of Hislop—or did they get it by representing that they could give him security over £3500; and did they believe, or the more prominent among them believe this? The jury would also have to consider the fact that some of the accused were absent from the meeting at which this matter was carried out, as far as it concerned these men.²

Incredible as it may seem, the case was allowed to go on for many days, and certainly not more than one-fifth of the evidence admitted was relevant to the charge, which was confined to the Hislop transaction.

After a long retirement, the jury convicted four of the directors, including Holman. Before sentence was passed, Holman said:

... that neither he nor his co-directors had made any representations in which they did not honestly believe. He and his co-directors were the deceived and not the deceivers. They had the highest prospects of success, and considered they were perfectly justified in obtaining the loan from Hislop. The paper was not a swindle for making money out of anybody. It had an important mission to fulfil, and had at no time resorted to any disreputable means to accomplish its purpose. He thought it was very hard that men who had done so much for the cause should be branded as criminals.³

The judge, in passing sentence, said he was sincerely sorry to see the prisoners in their present position. Had the conspiracy been for personal gain, the punishment would have been far more severe than that which he was about to inflict. He thought that the prisoners were mistaken, that they were misled, that they were carried away, but that Hislop had been taken

in, although he may have been mistaken in his story. Although they had prospects of repaying the loan, they had no right to rely on them. He regarded Holman and another director as the moving spirits, and each of them was sentenced to two years' imprisonment and the other directors to eighteen months.

Fortunately for Holman and his co-directors, his counsel had requested the trial judge to allow each accused to make a statement to the jury at the close of the prosecution's case and before calling witnesses in defence. The judge refused to give the prisoners this right, and the point was reserved for the Full Court. Meanwhile, for nearly two months at Darlinghurst Gaol, Holman underwent the unspeakable indignity and mortification of suffering imprisonment for a crime of which he was entirely innocent, certainly morally, and in my firm view, legally also. Despite his occasional lapses into violence of expression, Holman was an extremely sensitive and compassionate, even shy, young man and the modern psychologist would probably explain his occasionally flamboyant language by reference to his sensitiveness and shyness. During this imprisonment, he tried to keep his mind serene by much reading and the numerous friends who flocked to see him brought him matches and small pieces of candle so that the long nights could be spent thus. But the wound cut very deep. Afterwards, throughout his life, he never enjoyed complete freedom from a nervous insomnia which is undoubtedly traceable to this early experience.

Organized Labour was aghast at the result of the trial. Public meetings were arranged, and collections taken up for the benefit of the families of the imprisoned men. Only the *Worker* seemed not entirely displeased at the discomfiture of the *Daily Post* directors, and its comment was severe and detached.

The case reserved came before the Full Court of three judges on 8 May 1896. The point was a short one. Prior to 1881 no accused person was competent to give evidence on oath. By a criminal statute passed in that year it was expressly provided that, whether defended by counsel or not, a prisoner might at the close of the case for the prosecution, and before calling any witness in his defence, make any statement to the jury without being liable to examination on such statement. Here was the plain expression of an accused person's statutory right to make a statement before calling witnesses. Later, in 1891, a special Act was passed making accused persons competent to give evidence themselves. No doubt if an accused intended to become a witness the exercise of the preliminary right to make a statement might delay the proceedings a little. But the question was, had the 1891 Act deprived accused persons of such preliminary right? On the whole, the Full Court thought that there was no reason to hold that the accused's decision to offer himself as a witness in his own defence operated to destroy his right to make a preliminary statement. If the accused decided not to give his evidence on oath,

clearly he could still make such statement. There was nothing to show that the inclusion of accused persons in the list of competent witnesses was sufficient to deprive them of the right declared in the earlier statute. Upon this reasoning the trial judge had erred and the conviction had to be quashed. The case being one of misdemeanour, not felony, a second trial was possible, and the court thought fit to make a special order that the Crown should be at liberty to proceed again. Upon the Full Court appeal, Holman was represented by B. R. Wise as well as by Conroy, and the Crown by Barton.

The Crown law authorities at once decided that no further proceedings should take place, and Holman and his co-directors were released.

CHAPTER XI

GRADUAL RECOVERY

PRIOR to his great victory in 1895 Reid's one legislative achievement was the Crown Lands Amendment Bill of that year. It provided for the power of withdrawing land from pastoral lease both in the central and western divisions of the State. But its main principle was the establishment of homestead selections of Crown land areas which could be granted subject to a perpetual rent and a perpetual obligation to maintain a home upon the selection, which was protected from being taken in execution so long as the obligation of residence was performed.

Even after the general election, the Legislative Council did not yield immediately. Its own existence seemed to be jeopardized as the electors rallied to Reid's proposal to deal with the "fossils". Although the Land and Income Tax Bill passed the second reading, the Council got busy in the committee stages. It struck out the Assembly's exemption of £475 in the tax on unimproved value of land and reduced the exemption from the income tax from the Assembly's £300 to £160. What was Reid to do? Labour advised him not to lose the Bill.

Each House persisted in its attitude and, in November, managers were appointed to meet in free conference. Those representing the Council remained adamant until, according to Reid, a suitable compromise was obtained by the threat of swamping. The annual tax imposed on land values was only one penny in the pound on the unimproved value, and on income at the flat rate of only sixpence in the pound. But the change effected was revolutionary in effect. For the first time in New South Wales' history, direct taxes on land and income had been introduced. From the Labour standpoint the essential feature was that, under the system of indirect taxation, about seventy-five per cent of the burden of the taxes was borne by the working classes. As the wealthier classes of New South Wales were entrenched in the Upper House, Reid's victory over them was also a triumph for liberal principles.

But Reid missed the opportunity of forcing the Upper House to consent to a final settlement of the great constitutional question of the relationship between the two Houses. He had concluded that a referendum to settle disputes between the Houses might have involved great public expense and, on the whole, he was satisfied that the Council had been taught its lesson. Unfortunately for Holman, by 1910 the lesson had been long forgotten: as we shall relate in due course.

During the Labour Conference of 1896, Holman's *Daily Post* prosecution

was pending, and for the first time since his arrival in New South Wales, he took little or no part in debate. The official Labour report was surprisingly critical of Reid, and was expressed in Holmanesque language:

Much that was admirable had been achieved by their comrades in the House, for which no credit had been given them either by press or public, but they could not disguise the fact that the session which opened with the two safeguards of reform (viz. abolition of the Upper House and electoral amendment) in every man's mouth, has been permitted to close without one step having been taken towards achieving either measure. Their Parliamentary comrades had made no protest against this outrageous remissness of the present Ministry, and whilst doubtless guided in their decision by satisfactory reasons, it was to be regretted that those reasons were not more distinctly apparent to those interested in the movement outside Parliament.¹

At the Labour Conference, there was an important debate on the question of Federation, W. M. Hughes declaring that the Labour Party must take a definite stand on the subject. It was decided to run ten Labour candidates for the ten convention vacancies and to advocate as Labour's Federal policy a popularly elected House of Representatives and also a popularly elected Senate, with the second Chamber veto to be limited, and the power of direct initiation of legislation vested in the people.

Holman's first public appearance after his successful appeal to the Full Court, was as a member of a deputation from the Political Labour League which asked the Reid Government to start State works for the manufacture of iron. Reid refused to entertain the proposal. While ready to do anything practical, he regarded the proposal as involving too many industries and too much risk.

During 1896 Holman feared that Reid might turn out to be no better to Labour than Dibbs and Parkes had proved. Holman communicated his fears and suspicions to Hughes who was in Parliament, whereas Holman was not. Hughes's reply was remarkable. It throws light not only on the dissatisfaction of Holman, and on the very acute mind of Hughes, but also on Labour's parliamentary policy. The letter was dated 27 October 1896. In it Hughes said:

Let me expostulate with you: As to the Labour party; you find fault with it. Good: You're quite right in so doing for it's far from faultless. But do you know anything of it? How do you gather your information? From the Press? Perish the thought!! From the *Worker*? Bear up!! I know it is a base insinuation and I withdraw it: Intuitively? You're not built that way! Then what do you know more than the general public which, as you declare, is fatuously ignorant of these things?

Holman had expressed himself thus: "If we potter along as we've been doing for the last two years *we're* done, *you're* done, the *cause* is done."

Hughes's reply is a reasoned, if ironic, justification of Labour's policy of support in return for concessions:

Potter along. I thank thee Billiam for that word: *Potter!* Great God!! *Potter!!!* Let us see what we *have* done in that time. We've passed a Land and Income Tax; Navigation Act; Electoral Act; got the referendum principle accepted by Reid for next election on fiscal issue; Factory Act; Coal Mines Regulation Bill; Public Health Bill, &c., &c., and about 30 other Acts many of them of great importance. What? I hear you pooh-pooh that achievement. Come then my friend and tell us what *is* our duty? It seems to me when you sneer at Watson "putting in a clause here and amending a line there" you do him and us and yourself, not to speak of the country, a rank injustice: What is the duty of a third party? What can it be? Well it seems it may lie in two and only two directions for I will not place you among that unregenerate crowd which howls for its little gun so that it may have blood and sawdust (mostly sawdust). It may block all legislation good bad and indifferent and seek to discredit all Governments of whatever degree of utility for the purpose of getting itself into office and settling things at one fell swoop, or any other way it may please; or it may do what it can to mould the legislation that is before it; to compel—to persuade—to insist that advanced legislation shall be brought before it: giving its support to that side which shall offer most: in which case it becomes its bounden duty to introduce the despised new clause or amend the old one.

This amusing but able letter put the case with great strength. But Holman's discontent was not unnatural. He was out of everything. Moreover, a strong case could have been made out to prove that, without Upper House reform, no great radical measures could be permanently secured by Labour. Further, Holman's criticism, although so neatly answered, was subsequently vindicated by the change which seemed to come over Reid several years later when he became interested far more in the proposed Federation than in granting a further instalment of industrial or social reform in New South Wales.

Gradually throwing off his inertia, Holman busied himself in nursing the Grenfell electorate. There, both Labour Electoral Leagues had expressed indignation and sympathy at the *Daily Post* affair, so that his selection as Labour candidate for the 1898 elections was secure. But it had been twice impressed upon him that the voters outside the leagues must be won over. He gave time to the organization of the Bush Workers' Union, which had now changed its name to the Australian Workers' Union. Most of the workers in the Grenfell electorate were members of this organization. Holman was in straitened circumstances. His mother had given up her stage work, but he occasionally received financial help from his father. He became well acquainted with J. D. Brierly of Grenfell and did a good deal of writing for the *Grenfell Vedette* which was originally run as a protectionist paper.

Holman decided that if he obtained the control of this little weekly, he might reasonably assure himself of success at the next elections. His father gave him further help, and ultimately, before the 1898 elections, Holman became owner of the paper, the letterheads describing him as "Newspaper and General Job Printer". Before his ownership became generally known, the change in the political outlook of the paper surprised the newspapers in other country districts, the *Forbes Times*, for instance, saying: "The *Grenfell Vedette* extols Holman amazingly, and one would think him some sort of a god to believe all their eulogies of him." Holman as a country resident was not always cast in proper role, and there are many stories of his "new chum" efforts when offering assistance to bearded Wyalong prospectors, and about his being lost when travelling through his large electorate on the push bicycle to which he was becoming very attached.

Early in 1897 Holman represented the Coonamble Branch of the Australian Workers' Union at its annual conference. In the same month the annual conference of the Political Labour League was held at Sydney, Holman representing the Grenfell electorate. Again there was much complaint at Reid's failure to swamp the Upper House and thereby secure its permanent reform. The Upper House had inserted drastic amendments in the Factories Bill, had thrown out the provision in the Electoral Act enabling votes to be cast by electors although absent from their own division, and had excised the eight-hour day provision from the Coal Mines Regulation Bill. During the conference, the Upper House question was continually agitated. According to the executive report:

The representatives of Monopoly, Lawyerism, Landlordism, and every other class of parasites who prey upon the producers of the community have made that Chamber the Head Office of their different interests, and will pass no measures which are not to their own benefit or which are intended to shear the class they represent of any of the unjust privileges they at present enjoy.²

It was urged that:

The duty of the Labour movement is to keep prominently before the people the necessity for the abolition of the Upper House, as it is evidently the intention of the Premier to allow the question to sink into oblivion, a course which is receiving the support of the daily press of this city—a clear proof of the insincerity alike of the Premier and his journalistic mouthpieces from the beginning.³

CHAPTER XII

DEMOCRATIZING THE FEDERAL BILL

THE main business of the Labour Conference of 1897 was to deal with the forthcoming plebiscite for the election of the ten delegates of New South Wales to the Federal Convention. At the conference the successful Labour ten was announced. Holman, Hughes, McGowen, Black and Watson were included.

The campaign of the "Labour Ten" was immediately opened at Sydney. The main point made by Holman and Hughes was that an essential condition of adherence to any Federal scheme was that the democratic character of the Federal legislature should be safeguarded. Holman strongly supported a single Chamber made subject to popular veto in certain cases by means of a national referendum. He stressed the fact that, if there was equal State representation in the Federal Senate or Upper House, the effective power of the voter in the more populous States would be proportionately lessened.

No less than forty-nine candidates were nominated for the ten positions on the convention. The Labour Party was criticized for daring to nominate the full "bunch" of ten. But Holman correctly retorted that, if they had limited their nominees to five, they would necessarily have distributed exactly half Labour's effective voting strength among the remaining thirty-nine candidates. An interesting feature of the election was the candidature of Cardinal Moran, the Catholic Archbishop of Sydney, who polled well but was defeated. None of the Labour candidates was elected, McGowen who polled best, obtaining only 39,000 votes as against 53,000 for Wise, who was last of the elected ten. Barton topped the poll and Reid was a good second. Holman polled 15,000 votes. The average vote polled for the Labour candidates was under 20,000, a figure which indicated some reduction from the aggregate Labour vote of 1895. But the polling was small, and it thoroughly justified Reid's action in amending the Federation Enabling Act to provide that, unless 80,000 votes were recorded in favour of the Convention's Draft Bill, it was to be deemed rejected. From the Federationists-at-any-price came strong criticism; but it was obviously unjust that a vast constitutional change should be effected without a reasonable guarantee of very substantial popular backing.

Reid's increasing concentration on Federal issues and his lessening concern with Labour's demands for industrial reform were reflected in the barren legislative record of 1897. However, the Labour Party was able to secure a number of important concessions by way of administration. For the Reid

Government was induced to adopt the general principle of carrying out Government works directly by day labour instead of by contract.

In January 1898 the Political Labour League Conference was very critical of the legislative work of 1897. The conference adopted as the first plank in its fighting platform the dual proposal of the abolition of the Upper House and the introduction in its place of the initiative and the referendum. Under the terms of the Federal Enabling Bill, the date of the referendum for the adoption of the Convention Bill was fixed for 3 June 1898. As the New South Wales general elections were to be held in July, the Federal question tended to intrude itself into the ordinary party issues of the general election. Holman was a keen critic of the Bill and advocated a No vote. He condemned the unfairness of the system of equal representation of States in the Senate, and the proportionately greater power thereby given to each elector in the smaller States. He continually pressed the claims of the referendum, the efficacy of which was plainly admitted by the submission of the Bill to the people's vote. Under the draft Bill, a long continued dispute between the two Federal Houses could be settled only by a three-fifths majority of the two Houses, even though there had already been a dissolution of them both. This, Holman said, was unsatisfactory to the House of Representatives which alone would represent the popular vote of Australia. He condemned the amazing Braddon clause which laid down as a permanent constitutional guarantee that three-fourths of the Commonwealth's net revenue from customs and excise should be returned by it to the States which, by the Constitution, were deprived of all power to impose such duties. While this clause was criticized by those "big Australians" who objected to the Federal Parliament being "ham-strung for ever", Holman's sounder criticism was that the clause would inevitably set up a permanent system of indirect taxation: whereby every wealthy interest would be induced to support revenue tariffs for the Commonwealth in order to avoid the imposition of direct taxation by the several States or by the Commonwealth itself. Holman argued that, since indirect taxation provided "easy money" for Governments, the system would gradually become a normal feature of the Commonwealth's finance, and would postpone to the remote future any effective system of Federal land and income taxation. Holman denied that local industries would be protected as a result of the Braddon clause; on the contrary, since revenue had to be obtained, the temptation would be to encourage imports by taxing them at such a rate as would still make it profitable for them to be imported and sold, with the consumers paying the tax on every article consumed.

The extreme Federalist argument, expressed by B. R. Wise, was that the clause was "practically harmless", because the customs and excise revenue which the colonies were then collecting was about four times what the Commonwealth required for its own purposes. Holman exposed this disin-

genuous reasoning by pointing out that it begged the question whether direct taxation should not be imposed by the Commonwealth, and that, under Reid's legislation, there was a steadily diminishing revenue return from New South Wales customs.

The Sydney *Bulletin* met Holman's argument by boldly advocating direct taxation by the Commonwealth. But James Edmond, the *Bulletin* editor, under-estimated the force of the temptation to use customs and excise tariffs as the main source of revenue. And, as it turned out, Holman's anticipations were far nearer the mark. It was not until 1911 that a Commonwealth Land Tax was passed, and not until 1915, during the Great War, that a Federal Income Tax was passed. Until 1911, when (as a result of an amendment of the Draft Federation Bill) the operation of the Braddon clause became spent, taking both Commonwealth and States together, the proportion of indirect to total taxes collected in Australia was never less than seventy per cent, easily the highest in the world. In 1928 this percentage had declined to forty-seven, but even then, out of fifty-seven millions of Commonwealth taxation, over forty-one millions came from customs and excise. Had the Braddon clause not been limited to a period of ten years, the result would have been even more disastrous to the poorer classes, so that Holman's argument was shown to be intrinsically sound.

On the other hand, Reid, although a convinced advocate of direct taxation, was not pessimistic as to the outlook of free trade under the proposed Federal system. Without his support it was impossible for the draft Bill to be carried in New South Wales. Consequently tremendous interest and excitement were aroused at the Sydney Town Hall meeting on 28 March 1898, when Reid, as Premier, tendered his advice to the voters of the colony. He said it was his duty to deal with the Bill "not as a partisan, but as a judge". Accordingly, he strongly attacked the Braddon clause, although he steadfastly refused to admit that, under Federation, a free trade policy would be rendered impossible. Analysing the Bill from point to point, he criticized it frequently. But, until the very end, he refused to indicate what he was going to do about it all. Then came his surprising finale:

So far as I am concerned, I, with all the criticism I have levelled at this Bill, with all the fears I have for the future—I feel I cannot become a deserter from the cause. I cannot take up this Bill with enthusiasm. I see serious blots in it, which put a cruel strain upon me. And now I would say to you, having opened up my mind, having shown you the dark places as well as the light ones of this Constitution, I put it upon every man in this country, without coercion from me, without interference from me, to judge for himself, and therefore I may say that my duty to Australia demands me to record my vote in favour of this Bill.¹

Reid's attitude was fiercely denounced by the *Daily Telegraph*, the main organ of those who were fighting for a No vote. It compared Reid to a jurymen who said to his fellows: "Convention Bill is a sad rascal and obviously guilty; but, as one of your number, I shall vote for an acquittal." Unfortunately for Reid, as the ballot paper was marked Yes and No, and the voter's duty was to strike out one word or the other, his speech came to be described as his Yes-No advice. Yet there was nothing inconsistent in Reid's exposing the outstanding faults of the measure but confessing that he would vote for it. If he felt that a special duty rested on him to warn, why should he not warn? As he put the matter himself:

It earned for me the epithet of "Yes-No". I did not wonder at it, and did not resent it because that is a reproach to which everyone who looks fairly at both sides of a burning question will always be exposed. It can be said of every judge who holds the balance fairly between any plaintiff ("Yes") and any defendant ("No").²

The poll of 3 June resulted in a majority for Yes of 5700; but the Yes vote was 8000 below the required minimum of 80,000, so the Bill was deemed rejected by New South Wales. The majority for Yes was due to the large affirmative majority obtained in the Riverina electorates. These districts were so harassed by border restrictions imposed by Victoria that they were prepared to accept any way of escape, however disadvantageous to New South Wales. Somewhat impertinently, B. R. Wise suggested that the combination of the Labour vote and the wealthier classes was the cause of the large No vote. Certainly Labour was suspicious about the *bona fides* of very many of the Yes advocates whose record in State politics had been one of extreme conservative reaction. But many of the more wealthy business interests favoured the Bill for the same reason that Labour opposed it.

CHAPTER XIII

HOLMAN ENTERS PARLIAMENT

AFTER the referendum vote, Reid immediately communicated with the Premiers of the other Australian colonies with a view to securing such alterations of the draft Bill as might satisfy the objections raised in New South Wales. But the New South Wales general elections were at hand; and a great effort was made to defeat Reid, whose detached attitude had disappointed his free trade friends who were opposed to Federation but infuriated his protectionist enemies who favoured Federation at any price.

This was Holman's third attempt to secure election to the Assembly, and he wisely concentrated his attention upon Grenfell. Greene, the sitting member, had decided not to stand. This gesture from the Reid free-trader opened the way to a direct fight between Holman and Andrew Kelly, who was the protectionist nominee. The so-called protectionists made a great effort at Grenfell. W. J. Lyne, who had been elected to replace Dibbs as parliamentary leader, paying a special visit to the electorate. Lyne argued that Reid's land and income tax had done little or nothing to prevent the aggregation of large estates and that wages were still coming down, especially in the country districts. But the prevailing low wages had no relation to the land and income tax legislation, for the country was in the throes of the great drought which lasted from 1896 to 1902. Holman said frankly that the task of organized trade unions to maintain reasonable standards in the pastoralist industry was hampered by the shearer who was also a small settler:

To him shearing is not a livelihood but an incident. His hope is to establish a homestead; to become a small proprietor. He would rather get £1 per hundred (the union price) for shearing sheep than 17/-, but he would rather get 17/- than nothing. And the general effect on wages doesn't affect him. In two or three years (he says) he will be out of it—an employer himself. So he stays outside the union and scabs ("blacklegs").¹

Holman's chief danger lay in the fact that, warned by the failure of Dibbs's hopeless policy of negation, Lyne now proposed an attractive programme of a radical character. Lyne promised a very strict enforcement of the labour conditions prescribed under the Mining Act, and the inauguration of an old age pension system scheme. He also said that the Upper House should be placed on a democratic elective basis.

Andrew Kelly had been one of the original Labour members of 1891, when he represented a Sydney seat, but he explained to the Grenfell electors

that he left the "solidarities" "not because he loved those they represented less, but because he valued individual freedom more". According to the *Grenfell Record*:

Mr Holman, the nominee of the Local Labour League, holds advanced Liberal and Socialistic views, and his raft upon the sea of politics is composed of the planks of the Labour platform. Mr Holman's political creed is intolerably well known, and his ability to expound it is undoubted. He has behind him the solid ranks of the Labour party in this district, who cease not day nor night in their efforts to carry the election, and, with their candidate, have every confidence that he can read his title clear to a mansion in the political skies. It is understood that the party at present in power will put no one in the field for Grenfell, relying on the candidate of the Labour persuasion to defeat the Opposition at the poll.

An underground organization against Holman based itself upon an unfair use of the *Daily Post* case. Thus, the *Record* said that:

Almost everything the Labour party has attempted to carry out has proved a disastrous failure. The *Daily Post*, which was started on the money of the workmen, went down under the most disgraceful circumstances, and some of its directors were sent to jail. The *Australian Workman* also failed.

The protectionist campaign against Holman increased in bitterness after Barton had accepted Reid's challenge to nominate against him in the King division of Sydney. According to Kelly:

(The Labour organizers) have shown their utter incompetency outside of Parliament as well as in, and well justified the remark of Mr Champion that the workers of Australia were "a band of lions led by asses". The men showed the courage of lions; the leaders the sagacity of asses. But all the time they have lived and loafed upon the workers, and are now once more asking to be allowed to masquerade as Labour representatives, when, in point of fact, they are but the tail end of a sick lizard, the Reidite party in Parliament, the secret foes of Federation, and the worst enemies the workers of New South Wales ever had.²

In dealing with one local question, Holman harked back to phraseology reminiscent of his controversies at Leichhardt:

He had something to say which might prove distasteful. A number of men had taken it on themselves to misrepresent him, and report that he was under a compact with Mr Watson to advocate the construction of the railway from Young and that the Labour party generally were also pledged to support that line in opposition to the proposed route from Koorawatha. This statement was a deliberate lie, and the gentleman circulating such might regard himself either as a despicable liar or a foolish ass.³

The result of the election was:

Holman (Labour)	1115
Kelly (Protectionist)	892
	<hr/>
Majority	223
	<hr/>

In after years, Holman's official representation of the Grenfell district was to become a source of great personal pride as well as a means of furthering his broader political aims as Labour leader. Even after his retirement from the Parliament of New South Wales he made frequent reference to his happy associations with the district. By that time fond memory easily rejected the distasteful, seized upon the fineness of comradeship, of struggle, of romance. "No region's records," he said, "show more of both the poetry and prose of Australian history than those of Grenfell. . . . Every picturesque figure in our chronicles has appeared there in turn. The Squatter King, with his attendant satellites of shepherd and drover, the bushranger, the gold digger, have all successively come upon the scene."⁴ Holman regarded Grenfell as "typically representative of the staple wealth of our country; and the gold which has been won around Grenfell in its darker depths is only representative of the golden fleece and the golden grain which have flourished in its sunlit valleys". To his imaginative eye, the district was ever glamorous.

The issue of Federation had obtruded itself during the elections to such an extent that Reid had little hope of repeating his great triumph of 1895. Further, the Yes-No cry was used against his party with considerable effect. While the protectionists advanced to 56, and Reid's supporters were reduced to 46, Labour, which had received inadequate credit for its adherence to Reid, had remained stationary at 19. There were 4 Independents. Reid defeated Barton at King, but a North Coast seat was soon found for the latter, whose prestige as Federal leader was rapidly increasing.

For seven years Holman had laboured unceasingly in the interests of his party. Already he had met with two disappointing defeats, and had undergone an ignominious and almost tragic experience. But through courage and determination he had overcome these setbacks. Thus, at the age of twenty-six, he was sworn in as a member of the New South Wales Assembly.

From this point onwards, Reid was entirely dependent upon the attitude of the Labour members. For the most part, Labour was favourably disposed to the democratic programme he foreshadowed. It included an Early Closing Act for the benefit of shop employees, and a radical amendment of the coal mines legislation. For the time being, therefore, the caucus determined to continue its support of the Reid Government. But B. R. Wise, the ex-free-trader, and an arch enemy of Reid, kept in close contact with Holman who



THE *WORKER* APPEALS FOR LABOUR UNITY

"Rats to your holes! Labour is on the job."

The *Worker* drawing shows Parkes, Reid and Dibbs in an unpleasant aspect.

was very grateful to Wise for his successful conduct of the *Daily Post* appeal. As it happened, Reid's tenure of office was unintentionally prolonged by those protectionists who ventured to substitute Barton for Lyne as Opposition leader. On the assembly of Parliament in October 1898, the Opposition proposed a vote of censure of Reid upon the ground that, at the North Coast by-election which had returned Barton, one of Reid's ministers had made a public declaration in favour of local public works.

Reid answered the innuendo that there had been a corrupt attempt to influence votes at the by-election. He said:

Behind this desperate effort to displace us from our positions is not any squeamishness about the alleged wrongdoing of the Secretary for Public Works, but a frantic attempt in this momentous crisis in nation-making in Australia to wrest political power from those who represent the masses of the people and to place it in the hands of my worthy conservative friend and his conservative allies all through Australia.⁵

Thus, before the eyes of Holman, the youngest member of the House, all the leading figures of the political life of the colony came on dress parade. He greatly admired the manner in which Hughes had adapted his oratory to the very special conditions of the Assembly Chamber.

Holman's summing up of the position was that, having regard to Barton's somewhat lethargic temperament, and his past anti-Labour record, Labour could not hope to receive better terms from him than it was already receiving from Reid; on the other hand, he inferred, correctly, that Lyne was extremely anxious to placate the Labour Party. For when, during the censure debate, Labour members complained of Dibbs's treatment of the Broken Hill strike leaders of 1892, Lyne volunteered the statement:

It was well known at the time that I was not in accord with a good deal of the action taken in reference to the Broken Hill strike. There are hon. members listening to me who knew that before there was a motion of censure or anything of the kind I was of opinion that the treatment of these men was extremely harsh and I said so many times.⁶

Holman also noticed the extraordinary influence exerted over the House by "West Macquarie", the nickname of W. P. Crick, member for that electorate.

Crick, originally expelled from the Assembly in 1890 for making a false charge, had made himself a master of parliamentary law and procedure. Associated for some time with John Norton and W. N. Willis in the management of *Truth*, a weekly newspaper, Crick who was a Sydney solicitor with a large police-court practice, was frequently engaged in personal litigation. The *Bulletin* described the Crick-Willis-Norton faction as:

... the small but vociferous Sydney party consisting of three men who are always either slanging each other or throwing each other downstairs, or prosecuting each other, or getting walloped by Haynes, or running libel-actions, or bawling in Parliament that they have done a lot for the working man.

Thus Norton, when it was charged against him that he had bitten Willis's ear nearly off, replied:

I made it my business to at once seek out Mr Willis. Having found him, I made, with his permission, a careful scrutiny of his physiognomy, and am pleased to say that I found his features pretty much in their normal state. The proboscis was in perfect order, the ears intact, not a lobe missing, and in precisely the same condition they were in when first proudly exhibited in Parliament as belonging to the representative of Bourke.

Again, Norton sued Crick for malicious prosecution after the latter had brought a suit to exclude Norton from the *Truth* management. Norton tried to cross-examine Crick:

"You admit you were anxious to get rid of me before August?"—"Most anxious."

"Most desirous that I should go back to Queensland and be eaten by the blacks?"—"I would be sorry for the blacks. (Great laughter.) I did say that."

Asked in Court whether Norton was not engaged in other litigation against him, Crick said:

"No; but I will 'litigate' him if I can get my hands on him or find his address!" Witness then went on to explain to His Honour that Norton had sued him in almost every court, and that there was no other court to which he could take him now except the Coroner's Court.⁷

During his long parliamentary career, Crick was very prominent in disgraceful scenes inside the Chamber, and in fisticuffs within the precincts of the House. He was subjected to prosecutions for criminal libel and to countless actions for civil libel. Norton was an equally active—and passive—litigant. On several occasions, these three extraordinary men had a considerable influence on Holman's conduct.

In the House itself, Crick in Opposition was a terror to almost every minister, and certainly to Mr Speaker. The Standing Orders which he broke so often were repeatedly invoked by him in order to short circuit a proposal or humiliate an opponent. He was the only member whom Reid could not handle with ease. Licensed larrikin Crick seemed to be, since no Speaker or chairman was able to control his tongue or curb his temper.

When Carruthers became Premier in 1904 he hit upon the device of silencing Crick by making him Chairman of Committees, a highly remunera-

tive position. As we shall see, Crick's great impudence, his power of invective and his parliamentary skill were accompanied by a complete lack of scruple.

Holman wisely refrained from making his maiden speech during the gladiatorial combats between Reid and Barton, Crick and Hughes. His great opportunity came on 27 October 1898, during the Federal resolutions debate, when Reid sought parliamentary authority to negotiate with the other colonies for amendments to the rejected draft Bill. Holman's speech followed that of Wise, who had objected to Reid's making any demands on the other colonies and risking the indefinite postponement of Federation. Holman spoke after the dinner adjournment; he had a good House for the entire fifty minutes. The matter of the speech had been carefully studied. Holman explained the Federal scheme in peculiarly felicitous language:

There is no phrase which has been more hackneyed, more harried to death, one might say, during the whole course of these debates, than the phrase "State rights." No phrase has, from one standpoint, fallen more into contempt, a contempt as undeserved as it is erroneous, but due, in my humble opinion, to the peculiarly distorted conception of State rights which has prevailed among ardent supporters of the draft Constitution as it stands today. I have a conception of State rights possessed by every member of our party, and I trust that I shall not unduly trespass upon the time of the Committee if I endeavour to outline it. It is this: that under Federation there is, unquestionably a double sovereignty, and I use the word "sovereignty" without any pretence of metaphysical nicety of distinction or definition, but as a practical term in politics with which we are all more or less acquainted.

Holman emphasized that in matters pertaining to Commonwealth sovereignty, State rights and State boundaries should be regarded as non-existent:

In regard to them, we have only one interest—the interest of Australia—and recognize only one grade of citizen—the Australian. So far as they are concerned, there is no distinction between the position of the man who dwells on the shores of the Gulf of Carpentaria and that of the man who hails from Croajingalong. In regard to these matters, and in these matters only, we have a single, central, sovereign power. In regard to other matters, we have five, six, or seven sovereign powers which form the Federation.

Holman's maiden speech was universally acclaimed. It showed his development in public speaking. Substance and form, illustration and generalization were fused together. There was a perfect presence and a superb voice. The *Sydney Daily Telegraph* said:

Although the new member had the reputation of being an especially fine speaker his maiden effort surprised the House. The fates favoured, and mem-

bers of both sides of the House listened with interest to the thoughtful, earnest and brilliant exposition of the Labour Party's attitude, and to a powerful appeal to the democracy of the present to save the nation of the future from the hampering fetters of an unalterable constitution. The speech showed that the speaker had very considerable knowledge of constitutional history, and although Mr Holman's remarks covered a good deal of trodden ground, as there is no aspect of the question that has not been discussed and discussed again, he was listened to with keen attention to the conclusion when he was greeted with shouts of applause. As he sat down, the maiden speaker was literally overwhelmed with congratulations from both his own and the Opposition sides of the House. Mr Wise was one of the first to tender his commendations, and the veterans of the House—Mr Reid, Mr Barton and Mr Lyne—all subsequently complimented the young member. A feature of Mr Holman's speech was the extreme rapidity with which he spoke without destroying in any way the excellence of his diction.

It is one thing to have a reputation as a speaker before coming into Parliament. It is another to make good that reputation in Parliament and to add to it. Holman was wise in selecting the subject of his first speech and in preparing himself so thoroughly for its delivery. Thereafter, his name as a parliamentary, as well as a public, orator was fairly established. Nor was his argument without avail, because the national referendum which he advocated was suggested to the other colonies by New South Wales as an alternative method of settling disputes between the two Houses.

Reid's determination to concentrate his attention upon the Federal question meant that during the session of 1898 he made inadequate compliance with Labour's steady demands. Holman grew more and more critical of Reid's seeming indifference. Having taken so long to win a place in the colonial Assembly, Holman was in no mood to risk his political fortune in the unknown Federal sphere, if, as was expected, the Commonwealth was to be inaugurated in January 1901. So the *Grenfell Vedette*⁸ began to attack Reid in the language of Holman:

Upper House reform was a mere party cry, and that body of political fossils continued, like Mrs Partington, to attempt to sweep back the ocean of reform with the broom of idiotic ignorance and besotted and beastly self-consciousness. The fiscal referendum was held out to the people with one hand, and promptly taken back with the other. The Old Age Pensions scheme is still but a Utopian dream, and together with the State Bank and free school education is set down as the wild and impracticable imagining of disordered brains.

Dissatisfaction with Reid was growing. Even nature seemed unpropitious, for the drought continued and the wheat yield was small. Wages showed no tendency to rise and Labour was disgruntled.

During the recess, Reid reached an agreement with the representatives of the other Australian colonies upon the following basis:

1. For the joint sitting of the two Federal Houses which was to be convened after a disagreement and double dissolution, the New South Wales proposal of a simple majority vote instead of the three-fifth majority provided in the draft Bill, was met by a counter-offer of an absolute majority of the two Houses.

2. The Braddon clause was to be amended so as to confine its mandatory operation to a ten-year period, the Federal Parliament to be given a special power to grant financial assistance to any States until the Federal Parliament terminated the operation of the clause.

3. Before the boundaries of a State could be altered, the approval of the electors of the State affected was to be necessary.

4. The seat of Government was to be in New South Wales, but until it was there established, Melbourne was to be the capital.

5. In order to alter the Federal Constitution it was to be provided that, subject to certain conditions, either House of the Federal Parliament should be entitled to insist upon a proposed alteration being submitted to the people; but the other colonies demanded that, before any alteration could become effective, a majority of the States as well as of the Australian people should be obtained.

Reid regarded these concessions as sufficiently safeguarding the democratic character of the Constitution, and in February 1899 he brought forward a Bill to refer the draft Constitution, as now proposed to be amended, to the electors of New South Wales. In Reid's view:

Further delay or opposition to the completion of the great work of national union would not now be reasonable. In their opinion the momentous question is at last fairly narrowed down to an issue between those who really desire Federal union and those who do not.⁹

But the Legislative Council refused to withdraw its opposition to the Bill and proposed not only a period of delay, but a special provision that unless one-third of the total electors voted Yes, the Bill should be regarded as rejected. On this occasion, Reid compelled Upper House consent by securing the appointment of twelve new members to the Council. As a result, the Enabling Bill was passed, and 20 June 1899 was selected as the day on which the second New South Wales vote was to be taken.

On this second submission to the people, Holman, Hughes and Lyne were the outstanding opponents of the Bill. Holman said:

The objections which were taken to this Bill a year ago, the objections upon which the Premier fought the whole of his election campaign are still there. Then we were told that it would lead to financial chaos. It will do that

now. Then we were told it would lead to the triumph of the minority in the legislature. It will do that now. Then we were told it was practically impossible of amendment once accepted. It is still impossible of amendment, so far as the vast majority of Australian citizens are concerned.¹⁰

But on the second occasion Reid's unequivocal support ensured a Yes majority, and the result was 107,000 Yes votes to 82,000 No votes. It is demonstrable that Reid's decision caused the adoption of Federation by New South Wales. His clear opposition would have wrecked the Bill on either occasion. But the very large minority vote showed that the people were still suspicious of certain parts of the Constitution. Yet, compared with the original draft of 1891, the Constitution was almost a model of democratic statesmanship. This great improvement in the instrument was due in the main to Reid himself, to H. B. Higgins of Victoria and to the Labour movement in New South Wales, particularly to Holman and Hughes. While the motive of many supporters of Federation in New South Wales was to "dish" the Labour Party, it was Labour's relentless criticism which forced the conservatives to agree to amendments making the scheme more democratic. It is fair to add that even Reid's final decision for Yes was affected by the fact that he thought he had obtained the very maximum of concessions to democratic feelings.

In the Assembly Reid lost some prestige by his forceful advocacy of the amended Bill. The Labour members were resentful of his tendency to sacrifice their demands for further social and industrial reform in New South Wales to the many personal attractions which the new field of Federal politics was expected to open up. For it was understood that the Premier of New South Wales would become the first Prime Minister of the Commonwealth; so that, if Reid had continued Premier during the life of the existing Assembly the great prize would have been his. But for his tardiness in meeting Labour's wishes, Reid would certainly have retained the Premiership. Even his last bid for Labour's support, the long-promised Labour Disputes Act, which made provision for a compulsory inquiry by a judge or a board of conciliation into actual or threatened disputes, became the occasion for further criticism because the scheme fell far short of compelling employers and employees to abide by an award of the arbitrator.

It was not surprising that during 1899 there was much intriguing to displace Reid. Both Barton and Wise were desperately anxious to prevent him from becoming first Prime Minister of the Commonwealth. Lyne wanted the State premiership and Crick wanted to become Minister for Lands as soon as possible.

Holman gave an interesting analysis of the first session when he spoke to his Grenfell constituents:

The first session, for the new member, was generally a period of shattered illusions. It was customary for the new member to come down all on fire with enthusiasm, under the impression that *now* was the time to crush and kill the abuses which he had so long inveighed against. And this idea slowly died within him as he recognized his powerlessness to do anything. For himself, Mr Holman said he had gone there with no illusions; a previous close acquaintance with parliamentary routine had shown him exactly what a new member could accomplish. But now he found a general misapprehension, outside the House, as to the *kind* of work a country M.P. had to do. For this member the work of attending sittings was by far the smallest and easiest part of his duties. There went on outside a continual strain and demand on his energies. In Grenfell electorate there were 32 polling places, and 36 or 37 separate centres of population. From every one of these places there came a steady stream of correspondence on the devoted head of "the member". When he reached Sydney, six or seven days after the election, he found 120 *letters* asking *immediate* attention.¹¹

Holman attacked Reid. While the Premier was willing to swamp the Upper House merely to force its acceptance of the amended Federal Bill, he had done nothing when the Council rejected the Early Closing Bill, the Navigation Bill, and the Probate Duties Bill, which merely sought to increase New South Wales taxes to the level of those in force in other Australian colonies.

In March 1899 Holman, speaking in the Assembly, threatened that Labour's support might soon be withdrawn from the Reid Government:

There are many men in this Chamber who are prepared to say that unless this is done, and some promise is given to us that we shall not be called together to merely register a matter of this kind and again wander into the bush, leaving these matters still in suspense, and leaving the evils which we wish to redress still active in operation—we are prepared to say that if that is done there shall be more to regret it in this House than ourselves. We have the means under the Constitution of making our disapproval felt, and I shall be only too happy to bear my part and to show by strong, unmistakable measures what my opinion is of a ministry which fails to fulfil its promises.¹²

CHAPTER XIV

HOLMAN PUTS REID OUT

HOLMAN came to the conclusion that Reid must go. But he refused to consider Barton as an alternative Premier, although B. R. Wise strongly advocated the latter's claims. According to Holman, Reid had wandered from the straight path—that of giving the Labour Party reasonable concessions for its steady support. But on no occasion whatever had Barton given Labour anything. Barton, even more than Reid, was intent upon the Federal arena. The Assembly quickly passed the formal address to the Queen, which was the last step to be taken locally before the Constitution Bill could be submitted to the Imperial Parliament. At this moment Reid's unconcealed eagerness to hurry the advent of Federation brought down upon him the fierce opposition of several of his old free trade supporters who foresaw that Federation would completely disturb the fiscal system of the Mother Colony.

Chief intriguer against Reid was B. R. Wise. Wise was one of the most remarkable men in the public life of Australia. He had abandoned his early free trade principles to pursue a policy of political opportunism. Unfortunately he seemed constitutionally unable to seize the best opportunity. He stuck to Parkes after Parkes had irretrievably ruined his chances of returning to power. He refused an opportunity of joining Reid, although he had originally nominated Reid as leader of the free trade party in succession to Parkes.

On the other hand, Wise was very skilful in parliamentary manoeuvres. His present move was to secure Barton's resignation of the Opposition leadership, to replace him with Lyne, then to turn Reid out with Labour's help, and finally to satisfy Labour's demands as presented by Holman and Hughes. From their point of view, Holman and Hughes were entirely justified in promoting the elaborate scheme, and this Reid himself generously admitted at a later period:

I think that the Labour party cannot be blamed for leaving us and supporting Sir William Lyne. He was expected to be, and he proved to be, a much more suitable Premier for their purposes than I should have been. Then the Labour party was at cross purposes with us on another important point. We were willing to carry compulsion in Labour disputes to the point of compulsory investigation, but not so far as compulsory awards. The Labour party urged me to go as far as they wished, and I refused.¹

B. R. Wise's account of Reid's defeat and Lyne's accession to the premiership is contained in his work on the Federal movement. According to Wise's

history, the skill displayed by an "able parliamentary draftsman"—obviously himself—so confused the Labour Party that it had no alternative but to vote Reid out of office. But the truth of the matter is very different.

In 1896, three years before the defeat of Reid, J. C. Neild, one of his supporters, travelled abroad and on his return presented a long report proposing a scheme of old age pensions. Reid proposed to ask the House to vote Neild £600 to cover his out-of-pocket expenses; but before the estimate was placed before the House, Reid agreed to make an advance of £350. Then the whole matter was referred to a Select Committee, which reported that although the practice of making such payments was constitutionally dangerous and should be discontinued, Neild's acceptance of the money involved no illegality.

Wise's first manoeuvre was successful. Lyne replaced Barton as Opposition leader. Each was agreeable to the change, for Barton's chief ambition lay elsewhere. At once Lyne moved that the Reid Government did not possess the confidence of the House. Wise says that Reid arranged for a "whitewashing" amendment which:

. . . while condemning the Neild transaction, should express confidence in the ministry on other grounds; and this, he had reason to believe, would be supported by the Labour party. This expectation was defeated by a device of greater ingenuity.²

The alleged device consisted in a further amendment which proposed to add to Lyne's motion words to the effect that the Government also deserved censure for the payment to Neild. Apparently Wise distributed copies of this further amendment to a small group of members, any one of whom might be called upon to speak after Reid had answered Lyne. Wise says that the Speaker duly called on one of the group (Fegan) who moved the amendment. Then, says Wise:

When he sat down, the Ministry was doomed. For one does not need to be a student of parliamentary procedure to perceive that the Labour party could not vote against the *addition* of the proposed words without condoning the breach of the undertaking given to their leader, and that they could not *add* the words without joining in the vote of censure.³

Wise's assertion that the mere form of the Fegan amendment was the determining factor in the Labour Party's decision on the substantial matter involved, is entirely wrong. The fact was that between Lyne, Wise and Crick who were the chief negotiators on one side, and Holman and other Labour members on the other, a bargain had been entered into, in pursuance of which the final amendment censuring the payment was carried. Fegan had been promised and subsequently obtained a portfolio in the new Lyne Gov-

ernment. Several other members, like John Gillies, the member for West Maitland, were promised local works and, above all, the Labour Party received guarantees of favourable legislation. As W. G. Spence said:

W. J. Lyne made very definite promises to some of the party before the debate closed. He showed the writer a list of democratic measures which he offered to give in writing and signed, to be used against him if he failed to pass them through the House.⁴

It is true that the moving of the Fegan amendment, adding a specific censure of the Neild affair, had this effect; that the Labour caucus, which in the first instance had decided to support Reid on the general censure, was compelled to meet and reconsider its attitude. From the outset Holman had urged that the Labour Party was not getting enough from Reid and that Lyne and Wise, who were prepared to abandon any attempt to restore the old customs taxation, should be given a chance of fulfilling their offer to pass more favourable Labour legislation.

The fact that several free-traders like Fegan were prepared to abandon Reid was important for this reason. In order to survive the censure, Reid had to obtain Labour's support, for Labour's abstention would leave the Government in a minority. On the first meeting of the Labour caucus, the voting was eleven to eight in favour of supporting Reid. At the second meeting, six of the members, namely, Holman, Hughes, Edden, Dacey, Thomas and Thomson, threatened that, unless the party censured Reid over the Neild affair, they would immediately resign their seats in Parliament. In that contingency, Reid would have lost, even if he obtained every vote of the remaining thirteen Labour members. Before the second meeting, Holman had been given definite assurances by Wise that Lyne would pass Bills which were urgently demanded by Labour. On that promise, Holman was prepared to risk his political future.

The rules of the Labour Party forbade a dissentient caucus member from refusing to vote as caucus had decided. But the rules were silent on the question of resignation. Thus the six malcontents were not infringing the rules by threatening to resign from Parliament. The threat was successful, for the majority of caucus decided to make a virtue of necessity. The formal step was taken on 6 September 1899, during the course of the debate, when McGowen announced that the Labour Party had decided to vote against the Government. He said:

In taking up the position we do on this occasion, every member of our party feels a certain pang of regret. We know that the Government, against whom we are going to vote today, has given effect to some progressive legislation, and we give them credit for it.

Observing with delight that their plans had succeeded, Barton, Crik and Wise became eager for the kill. For a minute or two, Barton, who usually employed "brave and sonorous language of somewhat uncertain meaning and vague import", became almost explicit and direct.

Reid fought brilliantly to the end. He made a restrained and dignified reference to Holman's "solid six" who were really responsible for turning his Government out:

I might, perhaps, be tempted to refer in terms of bitterness to the fact that, after a calm and deliberate judgment had been arrived at upon grounds of reason, other influences have perverted that judgment, and that the vote of tonight will not represent the force of wisdom and intelligence, but the force of threats—the disloyal disregard of the spirit of a solemn obligation to the people of this country. I shall not, however, enlarge upon that now. There will be many opportunities for us to be judged before the people who sent us here, and I wish upon this occasion to postpone all subjects of recrimination and attack, and simply to say to the House that whatever the result of the division may be, and however full the benches may range themselves against me, I thank hon. members most sincerely for their past support.⁵

As a result of the Labour Party's solid vote of censure the Government was easily defeated. The Governor refused Reid's advice to dissolve, and Lyne succeeded to the Premiership. Included in the new ministry were Wise, See, Crick and Fegan. According to Wise, Lyne promised Barton that he (Lyne) would not press any claim, as New South Wales Premier, to be chosen as first Prime Minister of the Commonwealth.

In later days, Holman, on a social occasion, thus referred to the caucus rebels who became known to political history as "the solid six":

We used to have, even in those days, organisations within the Caucus, and they were as useful then as they are now in the way of putting a little ginger into our decisions. We belonged to the organisation known as "the solid six". Our solidity was shown in our desperate anxiety to break up the alliance which then bound us to the chariot wheels of Mr George Reid as he then was. We were always in favour of breaking up the alliance of Mr Reid, and ultimately, you will be pleased to hear, the cause of reason, justice and patriotism so far prevailed that we did break up that alliance. We turned Reid out and we put Lyne in, and I am bound to say that the Labour movement has since never looked back after the five years when we were in Mr Reid's pocket.⁶

Late in September, Holman addressed his constituents on the crisis and justified his action on broad public grounds. Having dealt ably with great affairs, he had also to deal with small ones. It was exciting and relatively easy

to put out the Reid Government. It was not so exciting or easy for him to answer letters from his constituents!

Holman was never a good correspondent in electoral matters and, at a later period, he often relied upon his wife for assistance. But his Grenfell constituents were going to reap some benefit from the overthrow of Reid. It was fairly obvious that, for some time at least, Holman's requests for local expenditure would fall on very responsive ears. For Lyne, Wise, Crick and O'Sullivan were easily able to distinguish their master's voice.

CHAPTER XV

ANTI BOER WAR

FROM the struggle which ended Reid's record reign as Premier, Holman emerged to face another far more acute crisis. On 17 October 1899 Lyne moved as a matter of urgency that, in the opinion of the House, New South Wales should equip and dispatch a military force for service in the Transvaal. Lyne had previously announced without show of enthusiasm or even interest that if men wished to offer themselves for South African service the Government would not prevent them, but no public money would be expended without the approval of the House. After the adjournment, necessitated by the change of ministry, his attitude changed, and he stated that New South Wales troops could still be dispatched to reach the Transvaal before those of any other Australian colony. The secret history of the sudden change was not revealed until later years.

The Lyne Ministry was sworn in on 14 September. At that moment the feeling in the cabinet was against any official intervention in what Cardinal Moran had recently described as a raid by capitalists on a self-governing community. The Lyne ministry knew that, in July, Reid had intimated that 2000 men wished to volunteer, but the colony would not contribute to their expenses. On 26 July a cable was sent to Reid by the Uitlanders Council asking the Australian Premiers to support them in their endeavour to "obtain equal rights for British subjects in the Transvaal with those enjoyed by the Boers".¹ Despite inquiries from the other Premiers, Reid declined to do more than offer to waive that condition of the existing naval agreement with Britain by which the Australian squadron of the Royal Navy was confined to Australian waters. Kingston, Premier of South Australia, suggested to Reid the necessity of further action "to show Australia's sympathy with Imperial anxiety". Kingston's persistence met with no result, and on 28 August Reid wrote a minute as follows:

Put it by for the present. I have come to the opinion that the sympathy of the Australian colonies with the legitimate desires of the British inhabitants of the Transvaal has already been made sufficiently manifest. A difficulty between the British people and the people of the Transvaal scarcely calls for displays of patriotism at this end of the world, the strength of the position being all on the side of Great Britain.²

Wise explained that, after Lyne took office:

The conviction was forced upon us that an emergency had arisen, which was not contemplated when Mr Lyne had given his promise to Parliament,

and which required us to decide at once upon our course of action. What hampered us most was the difficulty, owing to our distance from South Africa and London, to discern the truth about the war, whether it was really just, whether the situation was serious, whether help was needed or was the acceptance of the offers of assistance merely an empty compliment.³

Many years earlier, when in England, Wise had written an article ridiculing the dispatch of a contingent from New South Wales to the Sudan and warning England against encouraging military demonstrations which tended to alienate the sympathy of the majority of her colonists. Wise had been well acquainted with Milner, who, as the man now on the spot in South Africa, was "the one man who knew the truth about the war, and could be relied upon to state it without exaggeration". Accordingly, with Lyne's approval, Wise cabled Milner, "setting out at length the difficulties of the ministry, the divided state of public opinion, the misgivings as to the justice of the war, and the uncertainty whether assistance was required and for what reason". According to Wise, Milner replied

. . . in a most interesting cable of about three hundred words, in which the causes of the war and the existing situation were plainly and concisely stated. "It (the war) might," said Lord Milner . . . "be in a small degree a capitalist's war; but it is also much more. It involves the union or disruption of the Empire."

On this assurance from one who of all men in the world was at the moment least capable of judicial detachment, Wise and Lyne felt justified in anticipating the approval of Parliament of the organization of a New South Wales contingent.

Lyne's speech on 17 October suggested that Reid should second the resolution of support, whereupon Reid interjected:

Since the hon. gentleman has mentioned my name, he will, perhaps, allow me to assure him, in order that he may use the right peroration, that in this matter I shall give him my thorough support.⁴

From Reid's interjection it can be seen that he still lacked enthusiasm for the enterprise; later he made this position very clear:

But the main point is this: is it a right thing for an Australian colony to be represented in this war? I say at once that that is a debatable question. I have no sort of contempt or feeling for the man who takes a different view from myself. I myself have had, as every man must have had, a large feeling of sympathy for the grander qualities of these men in the Transvaal. It is impossible for any man not to respect their magnificent courage and their devoted patriotism.

Reid also asserted that a communication had been dispatched by Joseph Chamberlain, the Colonial Secretary, which suggested that a contingent

should be sent from Australia. This assertion was subsequently confirmed by Wise, who interpreted it merely as an expression of a desire that, as concrete evidence of Empire solidarity, an Australian contribution of troops should be made.

The Assembly debate was continued on 18 October, when Hughes said that he raised no objection to any person's volunteering for the Transvaal and he sincerely hoped that one or two honourable members would be included in that category. He added:

It is proposed now, when the Jameson raid has failed, that this war shall be undertaken in the interests of that powerful clique in Africa whose only desire appears to be to press on and on, not to plant the seeds of Christianity--if it were for that purpose I would cast a vote for this proposal tonight--not to plant the seeds of Christianity, but that they may by fair means or foul put their hands on the best lands and the best property in Africa.

Hughes's critical attitude was also adopted by James Ashton, one of the ablest of the Reid party. Holman rose soon afterwards. He complained that, from the reports in the newspapers, nothing emerged but the vaguest declamation and the most absolute ignorance as to the South African controversy. He proceeded to examine the charge that there had been discrimination against the Uitlanders. This allegation, he said, was supported only by "the lying distorting medium, the Johannesburg press".

Continuing, Holman said:

The time has now come to speak plainly, and to throw to the winds all pretence that this is an affair of the Empire. I do not know whether it is necessary for me to say that I am loyal to the Empire. I happen to have been born in England, and come of as solid and patriotic English stock as the hon. member for Phillip Division or the hon. member for Hartley, and I say that I have a profound respect for my own nation. Whilst I am loyal to the Empire, I see with emotions of shame and indignation which I can hardly express, the name and reputation of that Empire being dragged in the dust at the behest of a little gang of swindling speculators on the Rand. We know that this affair is no movement of the Empire at all.

Towards the close of Holman's speech, which was delivered in tones of great eloquence, Barton suddenly interposed a question: "Would the hon member mind telling us one thing--whether he wants the Boers to win or the British?" Unfortunately for Holman his answer took the following form:

I am not alarmed at any question of that sort. Whilst my country is fighting in a just cause I hope I shall be as ready to support its claims as any other member. But as I believe from the bottom of my heart that this is the most iniquitous, most immoral war ever waged with any race, I hope that England may be defeated.

Immediately there were exclamations of anger, and insults, interjections and alleged points of order became so numerous that the Speaker entered the House to take over the chair from the Deputy Speaker. The Speaker immediately "ruled", although he was never asked for any ruling, that there was no point of order involved and that it was for Holman "to answer to the people who had sent him here" for using the words objected to. "I think," added Mr Speaker, "the matter had better drop at this point."

This entirely incorrect interposition of the Speaker again illustrated the kind of anarchy to which the Assembly submitted.

After the excitement had died down, Holman explained:

I expressed myself in a manner which carried somewhat more than I altogether intended. My anxiety is, and has been all through this fight, that in this long duel which has been taking place between the independent burghers on the one hand, and the marauders of the chartered company on the other, that the Boers may win. That has been my wish ever since I was capable of understanding the morals of the case.

Barton moved the adjournment of the debate after Holman sat down. Barton was seldom astute at sudden interjection, and the suspicion that his unfair interrogation of Holman derived from another source, was soon confirmed. "I do not believe," said Edden to the house, "that the hon. and learned member asked the question until he was told by someone else to ask it. I believe that if the hon. and learned member were here he would say that he was requested to ask the question." At this point, another member admitted that he had discussed with Barton the form of the proposed question without any special reference to Holman. Then Lyne explained that Barton had informed him "that the moment he asked the question he regretted it; that the question was not intended as a trap; and that if he could have withdrawn it, he would have done so".

The amazing debate was not completed until Edden, who was the most outspoken of the miners' representatives, bitterly attacked McGowen for proposing to desert Holman on the question of voting for Lyne's resolution:

Because the hon. member for Grenfell made that slip, the hon. member for Redfern has deemed it in the interests of the Labour party to take up the attitude he has taken up. I deprecate the action of men who take advantage of such flimsy excuses as that to protest their loyalty.

It was fairly plain that McGowen became so intimidated by the criticisms of Holman's speech that he and a number of other Labour members decided to prove their loyalty by voting for Lyne's resolution. In the end, only seven Labour members voted against the resolution. Edden declared that McGowen, as Labour leader, resembled the general who, after leading his army to the

battleground, announced: "Men, there is the enemy approaching us; go and face them, and fight like heroes until your powder is done, and as soon as it is finished turn round and run; I will start now, as I am a little lame."

In the circumstances, Holman got a surprisingly fair Press. One Sydney daily suggested that he spoke too impulsively, that Barton's interjection was unfair, and that, if Holman had not been baited, he would have been more restrained.

Holman's attitude to the Boer War closely resembled that of H. B. Higgins in Victoria. Higgins, then member for Geelong, was asked why he opposed sending the contingents. His answer was: "Because I regard the war as unnecessary and unjust."⁵ As a consequence, Higgins lost the Geelong seat; but in 1901 he was elected to the first Federal Parliament for a strong industrial district which supported his opposition to the Boer War. In New South Wales, Holman was most strongly supported by the *Bulletin* which fiercely attacked Joseph Chamberlain. According to the *Bulletin*:

Holman's was a brilliant forensic effort. It was more. He had facts and figures marshalled in battle array. He brought them along in echelon, in line, in column of battalions. They poured out, as they advanced, a deadly fire of argument which silenced Joe Cook's cheap fusillade. With "volleys" he replied to Lithgow's "independent" whose gospel shot was answered with reason. Never was a jingo flag so riddled. The House listened attentively and even the wildest opponents found themselves facing a fire, which they were but ill equipped to answer.

For once, the *Worker*, still unfriendly to Holman, praised him:

Holman's speech was an unanswerable indictment of the Rhodesian policy in South Africa, and was the only serious attempt made during the debate to review the history of the trouble. When the crowd has become hoarse with singing "Rule Britannia" and begins to think matters over, Mr Holman's slip will be regarded more kindly than at present, and those who stood firmly against the creation of a military caste in New South Wales will have their reward. Meanwhile the drum and the trumpet, "Soldiers of the Queen" and "Rule Britannia" carry all before them.

Holman's war-time difficulties soon increased. In January 1900 he was asked to lecture at Hobart, Tasmania, on the subject of "The Labour Movement and Militarism". His thesis was that militarism was "always used by its capitalistic controllers to check the rising tide of socialism and democracy".

Holman's abstract propositions did not arouse much opposition, but so soon as he illustrated them by reference to the war against the Transvaal Republic and the Orange Free State, there was fierce interruption from some sailors of the man-of-war *Mohawk* with whom local larrikins soon joined. Holman was hooted and insulted. Then the platform was rushed. For a few

moments the situation was very ugly. Holman was thrown to the floor. Two sailors roughed him and tried to hurl him bodily from the platform. The police prevented further violence, but as Holman approached his hotel he was struck from behind. His assailants were not arrested.

Reports of this incident were telegraphed throughout Australia, and antagonisms which the Assembly debate had aroused were much aggravated. By April 1900 Holman was well armed with the files of the English newspapers, and his apt quotations of the arguments of some of the great English Liberals enabled him to repel local attacks at Grenfell. His personal attacks upon Chamberlain were almost popular. His opinion of that statesman was closely akin to that expressed by Herbert Spencer twenty years before: "A man who may mean well but who does, and will do, an incalculable amount of mischief." Much to the same effect was Beatrice Webb's prediction of Chamberlain's future: "Running alongside this genuine enthusiasm is a passionate desire to crush opposition to his will, a longing to feel his foot on the necks of others, though he would persuade himself that he represents the right and his adversaries the wrong."⁶

At Grenfell, Holman hit back with interest:

He was tired of accusers who made their accusations at a distance. If any man said after he had gone, that his (Mr Holman's) action was treacherous, that it was unprecedented, that it was even unusual or not strictly warranted by English law and parliamentary custom, that man stood as a self-convicted coward.⁷

In this crisis, Holman's many friends rallied round him and he was presented with an address of appreciation and an equally welcome purse of sovereigns. But the case for sending Australian contingents was well argued at Grenfell by Fegan, now a prominent member of Lyne's ministry.

CHAPTER XVI

BETTER RESULTS FROM LYNE

THE Lyne Government soon fulfilled part of its bargain with the Labour Party. At last the amending Navigation Bill was passed and the much agitated Early Closing Bill became law. Under this law, shop-keepers, except certain exempt classes, were required to close their shops at six o'clock, and, by way of compensating their employees for one late shopping night during the week, were compelled to grant a clear half holiday, either on Saturday or on Wednesday.

While the Lyne Government was preparing a long legislative programme for the year 1900, Holman was still facing excited meetings at Grenfell. There had been a gold rush at Warraderry, and Holman was asked to address the miners on the war issue. All the men on the field, nearly four hundred, attended; and the chairman and Holman both spoke in almost complete darkness while a strong, cold wind kept the rushlights smoking. One astonished observer gave a remarkable description of the occasion:

Holman treated the men like a jury listening to counsel for the defence after a long presentation from the prosecution. The miners entered into the spirit of that relationship with more than judicial gravity. There was only one interjection. In answer to some grave reference to English policy, "You couldn't say that at Hobart" was projected from the edge of the crowd like a missile. Holman is not good at repartee—at least I never heard him do anything special that way up here—but out of the depths of his indignation at the taunt there came flowing a passionate rejoinder which crushed the interjector. He was not at Hobart then—surrounded by larrikins and drunken sailors—but on a New South Wales goldfield—among free men—his own friends and constituents to whom he was responsible and by whom he must be judged—who would hear him to the end before they judged him—and "thank God," said Holman, "I *can* say it here." It looks little enough on paper, but in the darkness, in those wild surroundings, and before the audience it was most telling. Interruptions ceased then, and Holman pursued his theme pitilessly to the end. I have never seen an Australian meeting devoted wholly to foreign policy before. It was completely successful here, and the concluding vote of confidence, and cheers for Holman, and for his Chairman, were as real as anything I ever saw. The entire experience was as wholesome and refreshing as a summer breeze.¹

On the other hand, at Grenfell in May 1900, Mafeking Night was celebrated by some of Holman's opponents burning an effigy of him, an operation in which the passive role was usually played by Paul Kruger himself. This

time Holman's *Vedette*² completely abandoned its usual air of semi-detachment:

On the way and just off the road, a figure was seen burning, which proved on investigation to be intended as an insult to the member for this district. The burning figure was branded "Traitor". The skunks, to whose bright genius Grenfell owes the insulting exhibition, considerably went and hid themselves and are even now unknown to fame. If the gentlemen (?) who prepared the effigy thought they could thereby harm the member for the district, the overwhelming disapprobation which their action has evoked must have quickly undeceived them.

At Wyalong, where the mining industry was becoming organized on large scale lines, it was believed that a hostile demonstration at one of Holman's meetings had been deliberately organized by several local employers.

In the middle of all this hurly-burly Holman had commenced the task of reading for the Bar. In May 1900 he passed his first law examination, and the occasion aroused admiration and a good deal of sympathy—a Sydney journal stating:

At a time when the community is pretty well unanimous for the war in South Africa, Mr Holman has had the courage to criticise the movement, and to face political obloquy and personal hostility for his opinions. Whether his views be right or wrong, his pluck and pertinacity merit the recognition of all Britishers and Australians who believe in a man having the courage of his convictions. It must not be forgotten that when the late Sir Henry Parkes vigorously opposed the Dally Sudan contingent he was flying in the face of popular opinion no less resolutely than Mr Holman today. Yet Parkes returned to power when the people wearied of the Dalley-Stuart Administration.

In July, Parliament reassembled, and before the end of the session in December no less than eighty-five Acts of Parliament had been passed.

During 1900 Holman was so frequently engaged in defending his Boer War attitude, not only in his own electorate but in other parts of the State, that he seldom intervened in Assembly debates. But he made one very notable speech on the Industrial Arbitration Bill of 1900. The object of this Bill was to extend the scope of Reid's tentative legislation. The Bill provided first, that industrial disputes should be submitted to an industrial court for settlement irrespective of the consent of the disputants, and second, that the award of the court should be legally enforceable against all disputants. Holman's analysis of its principles was excellent:

Take any portion of it you like, it merely substitutes one method of arriving at the settlement of industrial disputes for another method. Workmen have frequently in the past declared that they would not work in company with non-union men. The hon. and learned member for Woollahra knows that

it has frequently been a question of dispute between employers and employed as to whether non-unionist men should or should not be employed in a given place. Today there is one way of settling the dispute; if the bill passes there will be another way of settling it. All that the passing of the bill will do is to substitute the methods of reason, arbitration, commonsense and judgment for the methods of brute force. The bill will substitute the force of law, which, in its ultimate analysis, is the regulated brute force of the community, for unregulated brute force; and that is what every piece of legislation does.³

Over a period of nearly ten years Holman had witnessed the lessening power and prestige of the trades unions of Australia. He attributed this in large measure to the fact that there were always non-unionists who were ready to be used as strike-breakers. He concluded that even the entire surrender of the strike weapon would be a small price to pay for the security afforded both to the worker and to his union by a fair award which bound the employer and which the union could enforce:

We are safeguarded against every form of legal process, except the special process set out under this measure. Our funds are not to be trenced upon by ordinary actions. While I am prepared to admit that English union officers have opposed the idea of submitting trade unions funds to any legal process, we say that under Australian conditions we are prepared gladly to take the risk of being fined for breaches of awards one hundred times in order to get the blessings which this bill gives.

Holman, after paying a tribute to the loyalty of the unionists during past disputes, particularly in the pastoral industry, argued that, had the present Bill been in force, a very different position would have resulted. He had witnessed the sufferings of strikers and their families, and said that it was only as a last resort that unions ever struck work:

To these men a strike is not an affair to be debated in an academic paper, is not a thing to be written of in a statistical report, as showing that the income of the colony has fallen off by some thousands of pounds. A strike means the breaking up of his home, and the approach to something like starvation of his wife and family.

He prophesied that the Bill would encourage the steady development of unions, particularly in trades and industries which were not yet organized. The present dilemma of the workers was that, while employees would not join unions unless the unions could guarantee them some advantage, no union could confer advantages unless the employees supported it. But with continuous legal recognition of unionism the employees would join the union and it would grow strong.

Holman took occasion to justify his action in forcing the overthrow of Reid as Premier:

The Labour party to which I belong has had this plank in its platform ever since it was a party. We have had this plank; we have fought for it. We have fought for it not merely on the floor of this House, but outside. We have preached this principle, and our preaching has borne fruit, and it has borne fruit because it has been backed up by the stern logic of events. The right hon. gentleman who now leads the Opposition promised to give us a similar bill. He did not do it. The hon. gentleman at the head of this Government promised to give us this bill, and he has done it. I venture to say this, and I know that in saying it I will be supported by the other members of my party, that while the hon. gentleman at the head of this Government carries out his pledges in regard to legislation as he has done in the past, he will continue to enjoy the confidence of the party to which I belong.

CHAPTER XVII

KHAKI ELECTION

LATE in 1900 it was announced that, at the general elections of 1901, Holman would be opposed by Arthur Grimm as the official representative of the Opposition. It was plain that Holman faced more than the possibility of defeat. Grimm was a popular figure and an able organizer.

Holman prepared for the elections in highly original fashion. He married. His bride was Miss Ada Kidgell, of Hawthorn, Melbourne. Miss Kidgell belonged to a brilliant Melbourne family, her father being prominent in the literary and journalistic life of Victoria. She herself had unusual literary gifts and she became one of the most able of Australian women journalists. She also graduated as a very active assistant to her husband as politician. The two young people had become acquainted at a literary evening in Sydney. After a whirlwind courtship the marriage was celebrated early in 1901. They honeymooned in Tasmania for six weeks, this being Holman's first long holiday since his trip to Australia in the *Cuzco* twelve years before.

Back at Grenfell, Holman's speaking campaign greatly helped J. C. Watson, a Labour candidate at the first Federal elections in 1901. Watson was duly elected for Bland, a large electorate which included Holman's State electorate of Grenfell. Barton, Reid and Lyne all won Federal seats, but McGowen, Wise and Ashton were defeated. Hughes was comfortably elected for the industrial stronghold of West Sydney and continued to hold that seat until his tactical retirement to Bendigo, Victoria, after the defeat of the first conscription referendum in 1916. There is no warrant for the rumour that Hughes and Holman tossed to see which of them would run Federally and which would remain in State politics. But there is truth in the assumption that there was hardly enough room for both in the same party and the same Parliament. In turn, each became leader of his chosen party, each attained the highest ministerial office available, and each finally left the Labour Party to lead a party which was opposed to official Labour.

Late in May, Holman delivered a policy speech at Grenfell and summarized the work done during the three years of his stewardship. Both the Federal issue and the fiscal issue were dead, and State politics would no more be confused by them. But, under the new Constitution, the State Parliament, and it alone, could legislate in respect of the matters which most affected the lives and well-being of the citizens. To the State belonged all questions of regulating industry, all domestic trade and commerce, State industrial disputes, education, land settlement and agricultural development, employ-

ment and unemployment. From now on, he said, bread and butter issues would confront the State elector, while the only three matters of importance with which the Federal Parliament could deal were the questions of immigration, customs and excise, and defence.

Holman claimed that Labour had been entirely justified in supporting Lyne. As to old age pensions, he said:

Here indeed the Labour party could claim the whole credit both of initiation and of execution. They fought for Old Age Pensions years ago (before Mr Chamberlain, by taking up the idea in England, had given it a spurious respectability) when it was laughed at by practical politicians. In this Parliament when the time came for them to leave Reid they had insisted upon it as the condition of their attachment to Lyne and had waited upon that gentleman in a big deputation and had forced the bill through both Houses.¹

Holman concluded his address by referring to the perennial question of the Upper House. Since Federation, the Sydney papers had been demanding a further reduction in the number of State legislators. But, said Holman, the Council should be dealt with first:

If they wanted to cut down the superfluous politicians, why not begin with the Upper House? If they wanted to save time and to minimise expenses here was a simple and obvious way. These gentlemen in the nominee chamber who kept so faithful a guardianship over the interests of a class, why should not they be reduced? They were the nominees of dead and gone and forgotten statesmen.

As the fight for Grenfell developed, Holman was forced to counteract the grave danger of his Boer War opinions by detailing his many services to the locality. He published a list showing that, for instance, he had obtained special grants for the local hospital, for the local agricultural society and for the local fire brigade, whereas his predecessors had obtained much less or nothing at all. But the Boer War cry was followed by a sectarian attack which was far more sinister. Holman counter-attacked by analysing his opponent's inconsistencies:

1. In Grenfell he attacked the minimum wage. In Wyalong (vide *Advocate* report) "he found no fault with it."
2. Last election he supported Kelly, a Catholic. This election he raises an anti-Catholic cry.
3. In Grenfell, he pledges himself to the Grenfell-Wyalong railway. In Wyalong, neutrality.
4. In Grenfell, he denounces the Works Committee as rotten and corrupt. In Wyalong he offers to leave the railway in their hands.
5. In the Federal election for Bland he supported Heffernan, a Protectionist. This election he is a Freetrader.²

Holman's anxiety as to the election increased daily. If he failed, his young wife and himself would be hard put to it, despite her proved ability as a writer. In particular, he was greatly concerned at the attempt to damage him by associating him with Roman Catholic aims. This attempt was the more dangerous because Holman was undoubtedly sympathetic with some Catholic aspirations, and was always an ardent believer in Irish Home Rule. He sent an S.O.S. to W. M. Hughes, who paid a special visit to the electorate. Hughes made an inspiring speech which told heavily against Grimm, who was proud of his talents as an amateur comedian. He said:

When he heard of the shocking tactics of the other side, their introduction of the sectarian issue, their false accusations against Mr Holman, he had determined to come to the people of Grenfell and tell them what his fellow members thought of their member: the high honour he was held in, the admiration his talents excited, and his power of persuasive eloquence, which, he could tell them, had a big influence in the House. In regard to the sectarian cry, he had there a letter from a Mr Mooney, who he understood was a respected landholder, who wrote in plain English that Mr Grimm had accused Mr Holman of bigotry and disloyalty! This was a nice way of appealing to the voters, but not as bad as the cheap sneers Mr Grimm levelled against Mr Holman for reading for the Bar. He has so little to hurl against Mr Holman that he has arisen to say that his studying for the Bar was a crime—that a man could not do that and look after his constituency too! Do you think a man could work a selection or travel for a wool firm and look after his electorate? Could Mr Reid or Mr Barton, Mr O'Connor and Mr Bruce Smith attend to their profession and look after their constituents? They seemed to manage it just as Mr Winchcombe, Mr Grimm's friend, managed to spend eight hours out of the 12 in his wool store, and yet represent Ashfield. Some people would say jealousy was at the bottom of these attacks, but he scorned to impute motives. All he could say was that it was better to study for the Bar than to study for the music hall stage.

The polling day was 3 July. Holman's supporters in the outlying parts of the electorate reported to him that, on the whole, these districts would vote against him. After a day of growing excitement the Holman enthusiasts gathered to await the results. As the winter night grew colder, a few of the crowd went home. But now, holding his own, centre by centre, point by point, Holman was still 70 votes ahead with only eight small returns to arrive. The final figures of the contest were:

Holman	.....	1299
Grimm	.....	1213
		<hr/>
Majority	.....	86
		<hr/>



"CAMPAIGNING" IN THE COUNTRY

A snapshot of Holman, showing his usual means of transport on his organizing tours.

Although the Labour supporters had their great victory night at Grenfell, Holman had still to face the celebration of triumph at Wyalong. Two miles out of the town, he and his wife were met by a torchlight procession.

The general result of the New South Wales voting was that the Lyne-Wise-Crick group, which was led by John See after Lyne's election to the Federal Parliament, had 34 members. The Opposition, which, after Reid's election to the Commonwealth Parliament, had elected C. A. Lee as leader, returned 40. Labour won 24 seats, and there were 4 Independent Labourites and 18 Independents. Thus the See Government would still be able to carry on provided the Labour Party continued to support it. In the State, the aggregate Labour vote increased from 21,500 in 1898 to a figure of 35,000.

Undoubtedly the most important single contest was at Grenfell, and Holman's defeat would have been a serious blow to the party. According to the *Bulletin*:

The fight of the New South Wales general election was that for the Grenfell seat, won after a desperate battle, by the late member, that eloquent young radical, Holman. Out of all the members of the New South Wales Assembly (about 38) who had originally openly expressed themselves as opposed to Australian interference in South Africa, he was one of the little remnant of three or four who through the crisis remained unbounced by Jingo threats and blow, and had the courage to stand to their guns. So at the election he was venomously attacked above-ground and from under-ground by every method, fair and foul. He fought with marvellous vigour.

After his great victory, Holman took little active part in discussions on foreign policy until late in 1901, when an Anti-War League was organized throughout New South Wales. Its object was to advocate the immediate termination of the war upon terms which would grant self-government to the Transvaal and the Orange Free State. Mrs Holman and Professor Arnold Wood, the distinguished Challis Professor of History at the University of Sydney, were very prominent in the League's affairs, and help was obtained from John Murray of the Victorian Parliament and H. B. Higgins, then member for Northern Melbourne in the Federal House. Holman argued that the Anti-War League's objects corresponded with those of the greatest living English statesmen. The war had been going on for two and a half years, and was costing £1,500,000 a week; and the time had certainly arrived for negotiating peace on terms which would not deprive the British of their military advantage. The League asked that there should be compensation for losses sustained and that "The German Jews who prompted the war, with a few English to back them up" should pay for the work of reconstruction.

In January 1902 Barton read to the Federal House of Representatives a

cable from Chamberlain to the effect that "in view of the prolonged hostilities in South Africa, the British Government would be glad to accept the services of a further contingent from Australia". Higgins said:

I oppose the sending of contingents to this war, not on the mere ground of expediency, having regard to the ideals and interests and future policy of Australia, but on the simple, old-fashioned ground of justice.³

Higgins strongly criticized Barton's attitude of subservience to Chamberlain, and suggested that this only reflected the control exercised by the Press on metropolitan politicians:

I say this is a position we would never have had to face but for a rash statement made by the Prime Minister—a statement made in the papers, if the right hon. gentleman is reported correctly—that if England asked for it, he would send a contingent. Of course, the very next thing was to force his hand. Mr Chamberlain did ask for it, and forthwith a contingent is sent.

Just as Higgins and Murray were assailed by the Melbourne Press, so Holman and Professor Wood were attacked in Sydney. Meanwhile the Anti-War League was circulating for public signature copies of a petition to the House of Commons which had been drafted by Wood and Holman. The petition asked for "self-government" for the Boer states, although some of the members of the League would have preferred the word "independence". In January 1902 Holman induced the Labour Conference of New South Wales to carry a resolution demanding (i) full colonial or dominion autonomy for the Transvaal and Orange River, and (ii) the initiation of negotiations to secure that aim. But the Victorian Labour Party seemed to have been intimidated, John Murray reporting to Holman that, apart from Dr William Maloney, George Prendergast and one or two others, "the instinct of humanity in the breasts of the majority of the Labour members was not strong enough to overcome the fear of their constituents' loyal and Imperial wrath"; so they refused to sign the Anti-War League's petition. Looking at the terms of the petition it is difficult to appreciate why such fierce objections were raised either to its form or to its contents. But it was almost impossible for Holman or even Professor Wood to obtain an impartial hearing of the case. For a time Wood was even in danger of expulsion from his University Chair. In April 1902 the Australian Press printed a cablegram from England purporting to summarize a letter on "Australia and the Boer War" which Wood had published in the *Manchester Guardian*. Wood's letter had dealt with a point of great and permanent importance—that is, the use for propaganda purposes in Britain of the supposed existence of an Australian public opinion upon a particular question of British politics. Professor Wood's letter said:

Mr Chamberlain and his followers continually tell us now that the war must be a just one because the Colonies support it. The fact is that Australians supported the war, not because they thought it a just war, but simply because it was an Imperial war. Without any pretence of regard to moral consideration, they declared themselves determined to support the British Government, right or wrong. The feeling prevalent at the time was expressed in homely phrase by Mr Copeland, the present Agent-General for New South Wales in London. "The British bull dog," he said, "wanted to give its pups a taste of fight, and the pups wanted to show their love and loyalty to their mother."

Unfortunately, Wood's letter to the *Manchester Guardian* was not signed by him as President of the Anti-War League, but as Professor of History in the University of Sydney. This fine distinction was made a pretext for the argument that the University should discipline him. Wood wrote as follows to Mrs Holman, the Anti-War League secretary:

I regret that the attacks on me made it impossible for me to ask the League to accept my resignation from the Chairmanship. I believe that I have a full right as a British citizen to hold that office. Nor have I any reason to think that, in holding it, I infringe in any way the conditions of my appointment to the Chair of History, conditions which I would never consciously violate.

Wood's conduct was brought before the University Senate, but as peace negotiations had begun, the matter fizzled out.

At the height of this controversy, Holman gave a public lecture which caused him some little embarrassment. In it he said that:

The tendency today was to glorify British military successes, as opposed to British naval victories. He argued that since the battle of Agincourt, in the days of Henry V, England had been "nowhere" as a European military power, and had never fought any battle since then without the aid of foreign allies, who greatly outnumbered the British troops. The only time we fought a battle on land single-handed—against America—we got soundly thrashed. But in naval matters it was entirely different, England single-handed had fought the alliance of the world, and undivided glory irradiated the deeds of the navy.⁴

On the following evening, while attending his law lectures at the University Law School, Holman was "invited" to a special gathering of the students. This ominous invitation he accepted. He was presented with a copy of *Little Arthur's History of England*. A cutting containing Holman's reference to England's military performances was pasted in the front of the book, and beneath it the following words were written: "Presented to Mr William Arthur Holman, M.L.A., by his fellow students of the University (Law School), 21/5/02." At the bottom of the page was added the following quotation from the history itself: "I want my little Arthur to learn to love loyalty as well as liberty."

According to the *Daily Telegraph*, both Holman and the younger students were amused, and Holman accepted the rebuke in excellent part. But he pointed out that the newspaper report of his speech had contained the word "battle" where he had used the word "war" or "campaign". Holman said he was not

. . . in any way concerned to justify my observations against the criticism either of the brightest of school boys or the dullest of journalists. As, however, I have no anxiety to have it go forth to the world that the elements of my education are at a stage calling for correction at the hands of the Sydney undergraduate will you permit me to explain what I did actually say?

In June 1902, after the terms of peace had been signed, Holman had the enjoyment of pronouncing the last word on the question of his Anti-War League. At a largely attended public meeting, he moved the main resolution which expressed great satisfaction at the terms of the peace in South Africa. According to the *Catholic Press*:⁵

The Anti-war League's triumph over the forces of fanatic jingoism has been decisive and complete. At a triumphal meeting held last week Mr Holman M.L.A., sounded the rejoicing note, and described the confusion of its enemies. It must have been a glad moment for him, for he has borne the weight of the fight and has felt the rods of the persecutors.

Holman remarked on the close resemblance between the proposals of the violently abused Anti-War League and the actual terms of the Treaty:

All this agitation, he said, all this denunciation, this fluttering of loyal doves, this rushing in of men to proclaim the unpolluted spotlessness of their fervent loyalty—this was all caused by recommending the very steps which the British Government had since adopted. If it were pro-Boer then, it was pro-Boer now. If he and Mr Griffith were signing their political death warrants, as the *Daily Telegraph* assured them, by urging these steps, then so were Chamberlain and Salisbury in carrying them out. The blatant section of the Sydney press, like the *Telegraph* and the *News*, had run itself into a dilemma from which there was no escape. Either the British Cabinet of today consisted wholly of traitorous pro-Boers, whose mere existence was a blot on the national honor, or the press itself stood detected and condemned as conducted by ignorant and self sufficient jackasses.

From the Sydney Press, he turned his attention to the systematic propaganda by which nearly all the newspapers of Australia calmly identified the interests of England with the interests of the Tory party and the interests of the Tory party with the interests of England:

The idea has been sedulously fostered by the ignorant press of Australia that Mr Chamberlain was an integral part of the British Constitution. He

need hardly remind them that this was not so. To the average young Australian of from 20 to 30 whose knowledge of, and interest in, foreign politics only dated back a dozen years, it was perhaps difficult to realize that there was another party in Great Britain besides the Chamberlain Party. Ever since such young Australians could recollect anything of English politics, Chamberlainism had been in power there. They knew nothing of the giant race before the flood—of the race that knew not Joseph—and hence the unconscious assumption sprang up that the state of things that had prevailed during their brief experience must prevail for ever. For fifteen years the Tories had had almost unbroken power. During that period they had pursued their policy of expansion—which was another name for grab—to its logical limit. The Liberal party of England came within 150,000 votes of defeating them last election, in spite of everything. Next election they would win.

In this last prophecy, at any rate, Holman was entirely correct.

From the beginning of the Boer War to its close, Holman displayed great courage and equal ability. In the great debate of 1899 he was deserted by McGowen; Griffith and Hughes alone kept the flag flying. His adherence to his opinions brought him into the reach of a fierce newspaper barrage, but the country voter was not easily stampeded. So he was able, although with difficulty, to head off the determined attempt to defeat him at Grenfell. In that great contest, and the subsequent organization of the Anti-War League, he owed much to his wife, who showed remarkable courage in stating to Australia the case which in England was backed by such Liberal leaders as Campbell-Bannerman.

CHAPTER XVIII

OBTAINING CONCESSIONS FROM SEE

AFTER the general elections of 1901, there commenced a gradual re-alignment of political forces within New South Wales. Before the establishment of the Commonwealth, the issue of customs tariffs, though often "sunk", frequently refused to remain submerged. But the States were forbidden by the Constitution to touch customs or excise, and after the imposition by the Federal Parliament of the first uniform Australian tariff, interstate trade could no longer be subjected to tariff restrictions or embargoes. Logically, therefore, the very *raison d'être* of separate anti-Labour groups, each asserting a different tariff principle, had disappeared. However it was a long time before the old feuds could be forgotten and the rather amiable See was content to follow the path which Lyne had trodden before him.

As Premier, Lyne had done well. He was a skilful politician. Neither eloquent nor a great administrator, he seemed able to diffuse a genial personality and to awaken firm loyalties. He seized his great chance at the moment when Reid thought that Labour would never desert him. Lyne carried out his bargain with Labour so faithfully that, in the Federal arena, Labour, as a third party, was prepared to trust the promises of Deakin only if Lyne was included in the ministry. When, in 1909, Deakin finally parted from Lyne, he separated himself not only from his Labour allies, but also from office and power.

From the first, See had great difficulty in controlling a very unruly team. First Crick, and afterwards Wise, had designs on the premiership; but Wise's chance of popular leadership disappeared when, after failing to win a seat in the Federal Parliament, he was content to recline in the nominee Legislative Council.

Holman soon sensed the unstable parliamentary situation and finally concluded that, instead of remaining a third party, the Labour Party should aim at becoming the direct Opposition. But this course was not feasible so long as See was willing to continue the Lyne policy of granting liberal concessions to the Labour movement. Holman noticed the gradual lessening of hostility between the ex-Reidites and the ex-Lyneites, and he saw that an anti-Labour coalition or fusion of such elements was a distinct possibility. On the Labour side, McGowen's leadership was pedestrian and colourless, but, for the time being, Holman, intent on having another iron in the fire, was working hard in order to qualify as a member of the Bar. On the whole, he

anticipated that the Assembly of 1901 would run its full term of three years, and that Labour would, in 1904 or 1907, assume the direct Opposition, and from that point, gradually win its way to office.

The first session of the See Parliament witnessed the enactment of the very important Industrial Arbitration Act and other liberal measures were passed, but the Legislative Council rejected Bills which See, with Labour's steady support, had passed through the Assembly. The first sought to confer upon trade unions immunity from civil actions caused by strikes. The second Bill provided for the regulation of coal-miners' wages, and a third sought to limit the daily hours of miners to eight—an echo of the Bill of 1891.

At the beginning of the 1902 session, C. A. Lee retired and the Opposition elected J. H. Carruthers as leader in his place. Lee had not proved successful. But Carruthers was a man of far higher calibre. He had been closely associated with Parkes and Reid and was one of the ten New South Wales delegates to the Federal Convention. There was little parliamentary strategy with which he was unacquainted. He had conducted through the Assembly the important and very complex Crown Lands Act of 1895, and had been one of the liberal leaders in the fight against indirect taxation. If not an eloquent speaker, he was a clear and plausible one; and he preferred to calculate and time a blow rather than dissipate energy in fruitless censure debates. The so-called Kyabram movement which swept through Victoria in 1902 and helped to make W. H. Irvine its Premier, suggested to Carruthers that in New South Wales, too, the cry of "retrenchment and reform" might succeed. Accordingly, he criticized the extensive public works programmes of Lyne, See and O'Sullivan as extravagant and unnecessary. O'Sullivan, who was Minister for Works to See, was a man of great energy and some imagination. He it was who first perceived the enormous advantage of having the Sydney railway terminus brought nearer to the heart of the city; and despite the easy cry of "white elephant" insisted that the central station should be built so as to handle future requirements. In this and other matters Carruthers found it easy to raise a laugh at O'Sullivan's expense, particularly as the latter, in an expansive moment, had suggested the erection in Sydney Harbour of a grandiose statue to represent "Australia facing the dawn". As to the railway station, O'Sullivan turned out to be right and Carruthers wrong; but the economic depression during the period of drought which extended from 1896 to 1902, that is, throughout the whole period of the Lyne-See administration, made Carruthers's remedy of retrenchment appear plausible, even attractive.

Carruthers said:

A Government can always obtain money by screwing it out of the public in the shape of taxation; but can the people stand any more taxation than they

are already subjected to? I am quite satisfied that, for the next ten years at least, the people will have a great deal less money than they have been accustomed to.¹

Carruthers signified his accession to leadership by moving a vote of censure on the Government in connexion with the so-called Friedman case. On a number of occasions New South Wales Governments had been discredited through charges suggesting the unfair administration of justice; and it is unquestionable that, from the moment when Carruthers moved in connexion with Friedman, the See Government commenced to lose ground.

Friedman, a Jewish dealer, was charged with receiving certain goods knowing that they had been stolen from the De La Rue Company. On 30 September 1902 the papers in the case were laid on the table of Parliament. They showed that on 25 September Friedman had been convicted, but had been released from jail by order of B. R. Wise (Minister of Justice) on the following day, 26 September. The judge (Acting Judge Rogers) had sentenced Friedman to twelve months with hard labour. Yet, within twenty-four hours of the conviction, a petition for clemency had been prepared and presented to Wise, the counsel for Friedman (J. H. Want) had written to Wise, Wise had called for a report from the judge, the judge had reported back to Wise, Wise had recommended the prisoner's immediate release, and the prisoner had been released. Further, although Friedman was actually released on 26 September, the Governor did not approve of Wise's recommendation until the following day. At first glance, these facts were extremely curious, not to say startling. And unfortunately for Wise, most people gave them a first glance only.

The judge's report stated that the evidence against the accused was that of a youth employed by the De La Rue Company, who stated that Friedman had importuned him to sell him goods worth £200 for £42. This informer-witness admitted having stolen the goods.

The judge's report added that, before passing sentence, he had announced that he himself would not have found a verdict of guilty; but the jury were the exclusive judges of the facts and he did not see how the First Offenders' Act (which, upon a first conviction for an indictable offence, entitled the judge to suspend sentence or release under bond) could be applied to the case. The judge's words were: "Although it gives me very great pain to pass sentence upon the prisoner, yet I cannot set myself up against the jury. I therefore sentence him to 12 months' hard labour."

Addressing the Assembly, Carruthers made a great point of the speed with which the action was taken:

The Governor approved of that on Saturday last, the 27th September. But at 2 o'clock on the 26th September Moss Morris Friedman was walking the

streets of Sydney, a free man. Hon. members will see that any attempt to shelter the Government behind the act of the Governor in his exercise of the royal prerogative must be futile. Here, 24 hours before His Excellency minuted his approval, ministerial action had effected the release of the prisoner and not the law.²

Carruthers said that Wise, in his public interview, had practically admitted the existence of "personal grounds or motives" for his action. Wise had said to the Press:

I should like Mr Carruthers and his supporters to put themselves in my place, and to say what they would have done. I should like them also to put one of their friends in the place of the accused, and to say what they would have thought if I had been cowardly enough to refuse to accept the responsibility of advising the Governor to release the man.

Having carefully distilled the poison, Carruthers prudently refrained from personal administration. He suggested that Wise's statement

. . . deserves to be contradicted, so as to give no colour to the rumours which I have no patience with, and to which I desire to see no currency given, because I do not believe them. I should like to see the colour which in every man's mind will be placed upon that removed. Surely the Attorney-General will do that.

Every one in the House knew that Carruthers was repeating the rumour that Wise's "acquaintanceship" with Friedman had been that of borrower with money-lender. Carruthers's insinuation was made in a form which was calculated to spread throughout the whole State.

Apart from this, Carruthers stressed the sound point that the jury was the constitutional tribunal and that neither the judge nor Wise, as Minister for Justice, had an absolute right to set the verdict at naught. In his reply, See was both clumsy and ineffective. He made the damaging admission that he knew nothing of Friedman's release until it had been effected. When a member interjected a reference to "money lending", See said:

The hon. member has made reference to money lending. I am sure there is not a member of this House who wishes to bring in the private affairs of any hon. member. There have been some shameful statements made out of doors with regard to my colleague, but I am quite sure that there is not an hon. member who will allow his vote to be guided, or his judgment warped, by statements of that kind. My colleague, the Attorney-General, as far as my experience of him is concerned, is an honourable man who pays his debts. I know nothing whatever of his private affairs.

The case for the See Government was not improved by Crick's speech. Indeed, Crick wanted the Justice portfolio for himself, and his speech only served to underline Carruthers's suggestion that an intimate business relationship existed between Wise and Friedman.

It was Holman who really put the case for the absent minister. At the outset he said that the jury system was a great safeguard to the working classes:

There is no section of the community that is more directly interested in the maintenance, in all its purity, of trial by jury than that section which we have the honour to represent. Whom is it that trial by jury was originally intended to protect? Not the wealthy, not those who are able to avail themselves of the advantages which their social position confers upon them, who shield themselves from the possibility of attack in the law courts; but the humble, the poor, those who lack the adventitious aids which money and possession bring.³

Holman then argued that in the circumstances, the judge's opinion in favour of Friedman's innocence should be regarded as conclusive:

But I say it is to be regretted—and if there is any one thing for which I would censure the Attorney-General it is this—that when he tabled his defence he entered into the question of Friedman's innocence or guilt. If he, personally, believed Friedman to be guilty a hundred times; if he had conclusive demonstration that the man was guilty, when the Judge reported in favour of his liberation, it was his duty to recommend the man's liberation.

For this principle, Holman relied upon the opinion of a great English authority on the subject of criminal law, Sir James Fitzjames Stephen, who had said:

If the Judge sums up for a conviction, and the jury convicts, they share the responsibility with him and confirm his views by their verdict; and the same may be said if they follow his suggestion in acquitting. If they acquit when he suggests conviction, he is spared from what is always a painful task—that of determining on the sentence to be passed. *If they convict when he suggests an acquittal, he can, if he is decidedly of opinion that the prisoner is innocent, in practically all cases, secure a pardon.*

Carruthers's motion of censure was defeated; but, throughout the life of the existing Assembly until it ended with the general elections of 1904, the interjection: "What about Wise and the Friedman case", did untold harm to the Government. Holman's opinion cannot altogether be dissociated from his own bitter experience in the *Daily Post* miscarriage, when, curiously enough, the same judge presided as in the Friedman case. Holman's confirmed view was that it was necessary to pass a Criminal Appeal Statute

by which the jury's finding of fact in criminal cases could be independently reviewed by a special appeal tribunal. In later years he carried such a Bill into law.

The main portion of the session was consumed in passing Consolidation Acts. But the Legitimation Act was new in recognizing the principle that, for purposes of succession, children born before marriage should be legitimated on the subsequent marriage of their parents. Above all, the very important Women's Franchise Bill, conferring upon women the right to vote at elections for the Assembly, was accepted by the Council.

CHAPTER XIX

BARRISTER AT LAW

IN April 1900 Holman had made application to be allowed to sit for the Intermediate Law Examination. At that time he was nearly twenty-nine years of age and intensive study, especially of the general subjects required before he could enter upon the law course proper, was no easy task. W. M. Hughes and D. R. Hall had also determined to become qualified for the Bar, and in Hughes's case the attempt involved even greater difficulties and matchless courage. It has been said that, after the age of twenty-five, it is impossible for any man who commences to study for a learned profession to master its mysteries. At any rate, it is very difficult, and Holman found it so. Thus, after he and Hughes had sat for an examination, Holman wrote to his wife:

We got a beast of a paper; easy, in the sense that there was nothing in it we didn't know, but full of technical points and with no opportunities for displaying either knowledge or understanding. However we both answered all the questions pretty fully, and I don't think we can either of us possibly fail.

In May 1900 Professor Wood, who examined Holman in history, reported the paper as "very satisfactory"; he obtained a similar report after his examination in the French language, which, from thenceforward, he studied with great enjoyment. On 29 May 1900 he was admitted as a student at law, after an application which had to be supported by proper certificates of character. Holman's sponsors were A. B. Piddington and J. R. Garland, both of whom were barristers and had been members of Parliament. The fact that men so well known as Holman and Hughes were studying for the Bar had been published in the Press, so that, if any person wished to raise objection because of the *Daily Post* case, now was the proper time. But no objection was taken. Two more years of intense study for Holman, and all the legal examinations had been successfully accomplished. Then, and not until then, the Council of the New South Wales Bar took the grave responsibility of intervening to inform the judges that Holman "is the same person as the W. A. Holkman (*sic*) who was the subject of the *Daily Post* charges reported in vol. 17 of the New South Wales Law Reports". The mistake in the spelling of the name in the Law Reports was entirely that of the Law reporter, for every newspaper in Sydney which reported the *Daily Post* case at all spelt Holman's name correctly. The action of the Bar Council was immediately followed by an intimation from the Incorporated Law Institute that "they

would decidedly object" to Holman's admission as a barrister. As Holman was applying to be admitted to the Bar, this further objection was probably inspired by malicious busybodies who desired to give an appearance of strength to a very weak case. The supposed ground for the intervention of the solicitors' organization was that a barrister, after five years of practice, had a right to become a solicitor without further examination; therefore all solicitors were necessarily concerned in every admission of a person to the Bar. In the special circumstances this highly technical justification was too paltry for serious consideration.

The Barristers' Admission Board, constituted mainly by Supreme Court judges, obtained a report from Judge Rogers who carefully refrained from giving more than a short summary of the leading facts of the conspiracy case. Holman, however, was informed of the Bar Council's opposition, and, on 26 July 1903, sent a written statement of his case to Attorney-General Wise for the information of the judges. In this statement, Holman emphasized that the Crown had not required a second trial of the *Daily Post* directors; that, in 1897, after his appeal had succeeded, he and a co-director had made a further payment to the Hislops; and that in 1898 he and the same co-director, who had also been elected to Parliament, had paid every penny of the remaining indebtedness, together with interest at eight per cent. Holman submitted that there had been a miscarriage of justice, that "he had suffered undeservedly in mind, body and estate", and that there was no ground for giving the case any further consideration. He produced a statutory declaration from the Hislops that they now believed that they were quite mistaken in their former suspicions, and that Holman's intentions had not been dishonest.

Holman's letter to Wise was sent on 26 July. On 29 July the Barristers' Admission Board resolved that Holman was entitled to be admitted; and on 31 July he was duly admitted by the Supreme Court as a barrister at law.

The objection that Holman had been "convicted" was as unjustified in law as it was in fact. In law, a conviction that has been set aside is not allowed to remain operative as a disability or embargo upon the person whose conviction had been quashed. It is true that a layman might plausibly argue that the conviction was set aside upon a "technical ground". But in point of fact, it was not a technical ground, because Holman was wrongly deprived of his right to address the jury, and that address might easily have turned the case in his favour. But, technical or not, the objection taken was so good that the court regarded it as vitiating the conviction, which they set aside. In these circumstances it is very difficult to understand why the Bar Council should have intervened especially *after* Holman's many years of special study. But, quite unintentionally, the Bar Council did Holman a good turn. True, they resurrected the case and caused him great mental anxiety and distress. But several years later, the fact that the Supreme Court, with full knowledge

of the alleged disqualification, certified Holman as a fit and proper person to become a member of the Bar, assumed great importance. On the other hand, the fact that some objection was raised to Holman was also bruited around and the ground of it was misunderstood. Thus, after the conscription referenda of 1916 and 1917, John Storey saw fit publicly to remind Holman "of a certain young barrister who had his admission to the Bar delayed owing to *accusations of disloyalty*". Of course, no such accusation was ever made. John Storey had confused the *Daily Post* affair with Holman's frequent embarrassments during the Boer War controversy.

Holman became a member of the New South Wales Bar a few days before he was thirty-two years of age. Later in the same year, both Hughes and D. R. Hall were admitted. From 1903 to 1910, when he became Attorney-General, Holman engaged himself in active practice as a barrister. From the outset, there were many obstacles in the way of his success. First, he was a member of Parliament representing a distant country seat and it was essential to visit his electorate fairly frequently. This necessarily interfered to some extent with his capacity to accept and keep engagements. Next, he had long passed the usual age of admission and was thereby deprived of the great advantage of the waiting period when many a young barrister becomes familiar with the every day practice and the rough-and-tumble work of the profession. It is during this formative period, which should always end before a man is twenty-five, that the practical application of the teachings of the law, particularly the law of procedure evidence and pleading, must be mastered. The trade must, so to speak, be absorbed through the skin and become incorporated in the man himself. Missing these advantages, Holman had to teach himself to soar the heights before he was able to walk confidently through the ordinary paths of a barrister's vocation. Against him was the fact that the tricks of the trade must be known, the devices must be used or avoided, and, above all, they are not to be thought about too subtly but are to become the almost unconscious stock-in-trade. In the result, Holman's capacity to understand legal principles was excellent, and his expression of such principles was often perfection itself. But, in the nature of things, he lacked something of the skill which is required to pilot a case from declaration to joinder of the issue, from opening speech to certificate of costs. In the case of the able junior barrister all this becomes well known and, unless it is so, he can seldom expect to acquire a very large practice. Holman did his utmost to acquire a working knowledge of practice, but at times the handicap was very great. Further, he was confronted with the class prejudices of solicitors, who—in 1903—usually regarded a Labour member of Parliament as a being who was almost, if not quite, beyond the pale of civilization.

Having regard to these adverse factors, Holman's early achievements at the Bar were remarkable. At first, his practice became concentrated in those

channels of advocacy which had been made by the Industrial Arbitration Act of New South Wales, and the Conciliation and Arbitration Act of the Commonwealth. But his practice gradually extended beyond industrial law. When important questions as to the jurisdiction of the arbitration tribunals and the demarcation of the Commonwealth and State constitutional functions were raised, the way to the Courts of Appeal was opened. Next, as Holman's effective court eloquence became better known, he occasionally accepted criminal defences. Although he was frequently briefed by the trade unions to represent them either before the Industrial Court or the Supreme Court or the High Court on appeals or proceedings challenging jurisdiction, payment of fees was often delayed, and, at times, he was hard put to it to make ends meet.

Holman's first important case related to the jurisdiction of the New South Wales Industrial Court which was repeatedly challenged by the employers who were often discontented with its awards. These points of jurisdiction came before the Supreme Court of the State upon applications for prohibition, and were occasionally carried further by appeal to the High Court of Australia. At first, there was an obvious tendency on the part of the Supreme Court to interpret too strictly this experimental legislation, upon the theory that it interfered with freedom of contract and the vested rights of business. Observations supporting such a theory of interpretation were easily culled from the judgments of English judges, delivered during the long reign of *laissez-faire*. In the end, the industrial arbitration judges of New South Wales had to protest publicly against this too restricted interpretation of what was intended by the legislature to be a law of great public utility.

In other cases, Holman's industrial briefs developed into leading cases on the interpretation of the Federal Constitution. Then the High Court would have to determine the extent of the constitutional powers of the Federal Parliament to legislate with respect to "conciliation and arbitration for the prevention and settlement of industrial disputes extending beyond the limits of any one State". Almost every one of these words of the constitutional charter was subjected to critical analysis and subtle interpretation involving very long debate as to the demarcation of Federal and State powers. For instance, in the *Railways Servants'* case, a question arose whether it was competent to the Federal Arbitration Court to make awards which would bind the New South Wales Railway Commissioners in relation to employees engaged on the State Railways. The High Court held that there was no such power, although a most serious railway dispute might extend beyond New South Wales, and the Railway Commissioners might often be a party to that dispute.

Another important case of Holman's related to the Commonwealth Trade Marks Act which provided for the registration of a workers' trade mark and

required that it should be affixed to goods made according to union conditions. The High Court held that, although the Commonwealth Parliament had plenary legislative power over the subject of "trade marks", that subject could not be regarded as including the novel topic of *workers'* trade marks. Holman also appeared in very important litigation concerning the jurisdiction of the Federal Arbitration Court to make awards affecting employer and employee in Broken Hill, New South Wales, and Port Pirie, South Australia. Still further, he represented the boot trade employees in a leading case which determined that, in making awards for the settlement of industrial disputes, the Federal Arbitration Court was bound by constitutional limitations to confine its award to actual participants in the dispute, and could not make a general order binding all employers and employees in the industry to conform to the standards which were binding on such disputants only. In other words, the Constitution forbade the Arbitration Court to make its award "a common rule" of the industry concerned.

What has been said relates to cases decided between 1903 and 1910. At a later stage in the history of the High Court there were some important changes in constitutional interpretation, and Holman published an important study on these changes. But his early experiences made him very critical of the attitude of the High Court justices towards the industrial arbitration power, and particularly towards the great pioneer work of Mr Justice Higgins.

Holman's practical experience of the working of the courts dealing with great industrial and constitutional issues during the crucial formative period between 1905 and 1910 was of enormous assistance to him. Before the High Court he witnessed and took part in full dress debates between members of the Bench and leaders of the Australian Bar, and at times between members of the Bench themselves, for the exceedingly fierce brushes between Chief Justice Griffith and Justice Isaacs delighted the law students, if they scandalized the public. In those serene and spacious days, leading constitutional cases were expected to last, and did last, for very many days. The leading principles of Federalism and dual sovereignty were analysed and illustrated by reference to the great cases decided by the judges of the United States Supreme Court, the Constitution of which had been in many respects the model of the Australian draftsmen. Holman greatly enjoyed these intellectual experiences and exercises, even if the trades unions usually lost their cases. But he became convinced that the Labour movement should hasten very slowly before committing itself to any wholesale extension of the powers of the Commonwealth Parliament. He greatly feared that narrow and peculiar interpretations would be pronounced by the High Court. These opinions played a considerable part in shaping his political course, when, during the year 1911, the Commonwealth Labour Government submitted to the people drastic proposals for extending the legislative powers of the Federal Parliament.

CHAPTER XX

CARRUTHERS BECOMES PREMIER

THE New South Wales parliamentary session of 1903 was, from the point of view of Labour members, an unsatisfactory one. The main business of the session was to provide for submission to referendum vote of the question whether the members of the Assembly should be reduced from 125 to either 100 or 90. It was arranged that the vote should be taken in December 1903, simultaneously with the Federal general election. In pursuance of its general policy of favouring the referendum, the Labour Party decided to support the Bill. Holman himself was strongly opposed to the reduction of members. In his own case, reduction would mean giving up the hard-won Grenfell seat where he was now firmly established. During the debate, he said:

As one of those who have to represent those electorates and to travel over them, the proposal to send a scheme of this kind before the country, to set the gigantic machinery of a general election in motion, and to take a solemn vote on the annual saving, which may be made by reducing the number of members by 15 or 20, is one which fills me with something like disgust.¹

According to Holman, the whole agitation was sponsored by the Sydney *Daily Telegraph*. Upon the Sydney members, the *Telegraph's* slogan of "Reduce" had a powerful influence. The dual cry of "Retrenchment and Reform" had a notable success at a by-election in September 1903, when C. G. Wade, who promised to support the *Telegraph* proposals, was easily elected for the Willoughby seat. Holman concluded a satirical speech by reciting to the House an amusing verse of W. T. Goodge:

It is indeed a sweet refrain!
My blood with rapture glows!
"Reduce! Reduce! Reduce again!
As population grows!"
When every great "Reform" is made,
And Stinson's crowd is boss,
We'll all be ruled by Charlie Wade,
And possibly Dr Ross!
Oh, drive us on the downward grade,
And let the tune "Reform" be played,
Till nobody's left but Willoughby Wade,
And possibly Dr Ross!

The House where Wentworth played the flute
 Will then be cold and gaunt;
 The 'possum and the bandicoot
 The silent rooms will haunt!
 We'll see the crumbling balustrade,
 The steps o'ergrown with moss,
 And nobody there but Gregory Wade,
 And possibly Dr Ross!
 Go on! Who says that we're afraid!
 Let more reductions still be made,
Till nobody's left but Willoughby Wade,
 And possibly Dr Ross!

Carruthers, most astute of Opposition leaders, supported reduction without any referendum and gained much kudos, when, at the end of the year, a very large majority of the electors voted in favour of reducing the number of members to the lowest figure on the ballot paper, namely, 90.

As a result of this vote, a special session had to be convened early in 1904, when Crick, although still a minister, argued as a private member that the country electorates would now be unfairly deprived of representation. He was fiercely attacked by W. H. Wood for criticizing what had become a Government measure. Yet member after member complained that the reduction was the direct result of the agitation of the Sydney Press. Premier See said:

We are now seriously considering the desirableness of doing away with the brutality of the morning newspapers, who are continually trying to suppress public opinion, and to ensure an unbiased expression of public opinion by medium of a State organ. I do not know of any more interesting publication that we could use for that purpose than the Government Gazette, by its conversion into a daily newspaper.²

For the Labour Party, McGowen struck a similar note:

I look at the question from the standpoint of parliamentarians and the people. The whole matter is a duel between Parliament and the press and we should hesitate before we allow the press to dominate public opinion as against Parliament. Hon. members talk about being very chary about sacrificing their rights and privileges in parliament, but let them take the history of all the high constitutionalists in Australia and in the Old Country and settle the question in their own minds whether those men would allow the press to dominate them.

In spite of these threats, the necessary Re-distribution Bill was soon passed. See, although professing to despise the "Liberal and Reform" movement of Carruthers, decided that he would gracefully retire from the premiership. Accordingly, he relegated himself to the leisurely shades of the Upper House.

He tried to induce the Governor, Sir Harry Rawson, to appoint Crick as his successor; but the Governor had to draw the line somewhere, and he drew it at Crick. After the "affair Friedman" the influence of Wise had steadily declined and Carruthers denounced him in the Assembly as a man "whose word would not be taken anywhere in the country". Ultimately both Crick and Wise refused to remain in the ministry, and Thomas Waddell accepted the premiership. The remainder of the ministry came from the same old Lyne-See group. Towards the end of Crick's régime as Minister for Lands, there were many rumours of corrupt practices in the administration of his department, especially in connexion with the grant of improvement leases. Two Labour members, D. R. Hall and W. Webster, and an ex-colleague of Crick's, W. H. Wood, were most prominent in criticism of the Lands administration, although it was argued that Wood's opposition was based partly on personal dislike of Crick. Subsequently, the revelations at the Royal Commission of 1905 to 1906 suggested that the Labour Party was somewhat remiss in failing to expose the Lands maladministration. However, at the general elections of 1904 the question played no part at all.

For some time Holman was in doubt as to the new seat which he should contest. Finally he chose Cootamundra. The three main centres in this electorate were the towns of Cootamundra, Junee and Temora. The new electorate contained no portion of his old electorate of Grenfell. Junee was in the Murrumbidgee electorate which had also been held against Labour for ten years; but Temora was in Young, which was a Labour-held seat. The town of Cootamundra was in the old electorate of Gundagai which had been represented continuously for fifteen years by J. F. Barnes, who was now chosen as Carruthers's nominee against Holman for the new seat.

For the elections, the fighting programme of Labour was (i) closer settlement, (ii) free education, (iii) progressive tax on land values, and (iv) institution of local government. The party also undertook to effect all reasonable economies and to restrict borrowing. On the whole, this policy was not so attractive as that of Carruthers, who made a special bid for the women's vote which was to be polled for the first time in the history of the State. A new liquor policy, under which each electorate could determine by "local option" its policy on hotel licences, appealed to many women's organizations and was strongly advocated by Carruthers.

Holman perceived that the only way of explaining Labour's case was to specify in detail what the party had accomplished as a result of its giving support in return for concessions. He contrasted existing social and political conditions with those that had existed when Labour members first entered Parliament. Plural voting had been abolished, the hours for voting had been extended, the conditions of voting were easily satisfied, and every man and woman in the State was entitled to share in its government. Labour had

been jointly responsible for the introduction of the system of direct land and income taxation. Under Reid, those working in mines, especially coal mines, as well as those in the workshops and factories, had been given substantial protection against the risk of accident, and in some cases against the evils of sweating and other unfair labour practices. Labour could also justify its support of the Lyne-See Governments, so Holman contended, by reference to the legislation which had been passed. A sound Navigation Act and an Early Closing Act, an old age pensions system, the Miners' Accident Relief Act, the Shearers' Accommodation Act, the Industrial Arbitration Act and the Women's Franchise Act and other Acts, all aiming at better working conditions and the general well-being of the people, had been placed on the Statute Book. In addition, Labour had succeeded in wresting valuable administrative concessions from the Government, including the principle of day labour in Government works, the eight-hour day for railway employees, the establishment of a Government clothing factory, and a general adherence to the principle that the State should take the lead as model employer. Holman said:

They say that Labour is responsible for any acts of maladministration on the part of the Government they choose to support. But that must be taken subject to the qualification that we have never been entrusted with the responsibility for administration. We have kept these governments in power because we have obtained from Reid, from Lyne and from See measures for the benefit of the people. The question the electors have to ask is, would these measures have been passed in the absence of the Labour party? I say, unhesitatingly, no. Labour has not only compelled the passing of valuable legislation. It has been the primary cause of achieving in a little over ten years something approaching a social revolution in New South Wales.

In his opening speech at Cootamundra, Holman examined Carruthers's claim that, with Labour holding the balance of power, there had been too much borrowing. He answered this by comparing the borrowing between 1883 and 1893 with that between 1893 and 1903. During the first decade, the public debt had increased by nearly £35,000,000, while during the second decade the increase was £18,000,000 only. Holman argued that, despite the drought and the large expense caused by the South African contingents and the plague resumptions in West Sydney, the financial and economic condition of the State was greatly improved.

Holman encountered strong opposition from the *Cootamundra Herald*. Carruthers made a personal appeal for the vote in favour of Barnes, stating on behalf of the Liberal and Reform Association: "We ask you to record your votes in favour of John F. Barnes who, though not pledged to our platform, is open to support honest reform."⁸ In the 1901-4 Parliament Barnes had given general support to See, and had never identified himself with Car-

ruthers's new cry of "Retrenchment and Reform". But Carruthers's support of Barnes evidenced his general policy—to unite both groups of non-Labourites against the Labour Party. On the other hand, Holman's supporters claimed with much effect that Carruthers's endorsement of Barnes showed that Barnes had forsworn his earlier radicalism, and that he could not be relied upon even to support Waddell. In the result, Holman won comfortably. Even at Coptamundra he gained the lead by 64 votes, while at Juneë he was ahead by 229 and at Temora by 269, the final figures being:

Holman, W. A.	2559
Barnes, J. F.	1868
	<hr/>
Majority for Holman	691
	<hr/>

But elsewhere in the State there was a decided swing away from the See-Waddell group towards Carruthers—who claimed to be both the Liberal, and the Reform, leader. The resignation of See and the apparent recalcitrance of Crick and Wise all helped to discredit the Government. The Federal customs tariff rallied the Reid Liberals to the side of Carruthers. Labour increased its proportionate strength from 23 out of a House of 125, to 25 out of a new House of 90 members. But the women's vote was so largely captured by Carruthers, that only 12 of Waddell's followers were returned. In the new Parliament, this last group, calling themselves "progressives" or "democrats", refused to follow Carruthers; but Waddell, their leader, not only became a Government supporter, but actually joined the ministry. It was inevitable in these circumstances that the strongest anti-Government party should take possession of the main Opposition benches. Although Labour's influence upon legislation and administration was bound to be lessened, it had graduated at last from the ambiguous situation of a third party holding the balance of power.

Carruthers's first session as Premier witnessed the passing of the Closer Settlement Act, 1904, which was based on the policy of compulsory resumption of private lands for the purpose of agricultural settlement. The policy was vigorously attacked by the Labour Party, which contended that the great problem of land settlement could never be settled in this piecemeal fashion. Labour also advocated a leasehold tenure instead of the settlement purchase tenure provided for in the Act. It was Holman whose efforts secured a reduction in the instalment required by the Bill from ten per cent to five per cent of the capital value of the land. Under the new Act, the residence condition was limited to ten years and there were other provisions quite inconsistent with the Reid-Carruthers homestead selection plan of 1895. Although a restriction upon sale was imposed, the Act gave power to mortgage, subject to the minister's consent.

Early in the session, it became evident that the remnants of the See-Wadefell group would gravitate towards Carruthers. Crick, the ablest debater of the group, was accommodated with the salaried position of Chairman of Committees where he was almost silenced. Holman foresaw that in the near future the division of members into Labour and anti-Labour would become even more marked. As it was, Labour was now "His Majesty's Opposition"—the direct Opposition, and for all practical purposes, the only one.

Holman now estimated that it would take at least six years of hard organizing work before the party could gain the forty-six seats needed for an absolute majority of the Assembly. With that one object in view, middle-class support had to be obtained. But the objective of "all in" nationalization (i.e. nationalization of the means of production, distribution and exchange) was still on Labour's platform. Having in view the possibility of the "socialist" issue being raised, especially in country seats, Holman reached the conclusion that the objective should be replaced by a declaration less liable to create misunderstanding. He proposed that the second portion of Labour's platform should be altered to read: "The securing of the full results of their industry to all producers by the collective ownership of monopolies and the extension of the industrial and economic functions of the State and municipality."

The first part of the revised objective was to assert the desire of cultivating in Australia racial purity and a self-reliant people. Holman had some difficulty in persuading the Labour Conference of 1905 to adopt his proposal, strong opposition coming from what still remained in the Political Labour League of the old socialist bloc. Holman said:

We assert that today economic tendencies and forces are clearly at work in the society around us which will make it inevitable and desirable in the course of the next few years that the great bulk of the industries in this, and other civilised countries of the world, shall be placed under the "collective ownership of the State and municipality". What we assert is that in the natural history of society we are now passing through a stage which is paving the way for the introduction of socialism.⁴

In answer to those at the conference who deprecated any departure from the objective of European socialism, Holman put his cards on the table. If Labour was ever to govern, country seats must be won; yet some of them were shaky already. He said that:

It was not easy to go as a sheep among wolves and they should consider what would be their fate in regard to 8 or 10 wavering seats which they should carefully look to. No one respected the European socialistic movement more than he. He represented a seat in which it made a great deal of difference as to what shape the Labour movement took.

Hughes supported Holman's attitude and strongly approved of Holman's denunciation of revolutionary, and insistence upon "evolutionary" methods. On the other hand, the Brisbane *Worker* strongly criticized the abandonment of "all in" socialism, asking: "How can you secure to *all* producers the full results of their industry without running all the industries in which the producers are interested?" It added that:

The Queensland objective is more comprehensive and more exact in expression. It is also, we hold, more honest in intent. The New South Wales objective goes really as far, but it does not seem to do so, and for that reason may be said to carry the stigma of guile.

Holman's view prevailed. It was the first open concession to the theory of "gradualism" which had been put forward in England by the Fabians and was later to characterize the British Labour Party under Ramsay MacDonald's influence.

Up to this point, Carruthers, as Premier, had enjoyed calm seas and there were reasonable prospects of a prosperous voyage. But when the Sydney newspapers published lengthy reports of the curious Supreme Court action, Sims versus Browne, it became plain that the Lands Department administration was due for an investigation. The names of W. N. Willis, of Crick, and even of Carruthers himself, were bandied around. The exposures were serious, and led to important political consequences.

Sims was a leaseholder who had had dealings with a Sydney agent, Browne; Browne had offered to better Sims's holdings by approaching W. N. Willis, member of Parliament and a professional Crown lands agent; and Willis, a close friend of the Minister of Lands, Crick, had promised to secure Crick's support in the matter. When Sims's application for certain leases was refused, Willis brought an appeal on Sims's behalf to the Land Appeal Court; and when this failed Sims issued a writ against Browne to recover £600 that he had paid him. The Sims-Browne litigation resulted in such disclosures of malpractice that Mr Justice Owen of the Supreme Court was appointed a Royal Commissioner on 1 May 1905. For eleven months, until the last witness, Crick, gave evidence in April 1906, the country had been convulsed by revelation of one scandal after another. The Royal Commissioner found Crick and Willis guilty of gross impropriety and fraud. He said that he was satisfied that Willis had received the colossal sum of £44,913.

The name of J. H. Carruthers was mentioned, for he had been briefed by Willis in Sims's appeal to the Land Appeal Court; and his partner in his legal business, Wilson, had been employed by Willis, and was called to give evidence before the Royal Commission. Carruthers appeared voluntarily before the Commission and said that in order to avoid any possibility of association with matters of any such character in his legal business he had decided

to retire altogether from the practice of his profession. His decision was commended by Mr Justice Owen. Unfortunately for Carruthers he had publicly expressed approval of Crick's administration as Minister for Lands:

In May 1906 the judge presented his report to the Governor. The Commissioner examined the bank accounts of Willis, Mrs Willis, and Crick, and these disclosed that over a specified period Willis's total bank deposits were £20,300, nearly all in notes, and Crick's were £28,200, of which £27,600 were in notes. At his special request Carruthers's accounts were also examined by the Commissioner, who reported that he felt bound to say that nothing in the evidence before him implicated Carruthers in any of the land transactions.

What was the upshot of the affair? It was made reasonably clear that Crick had systematically practised extortion and "blackmail" and that for some years Willis had been employed by interested pastoralists to hand over bribes for the corrupt purpose of obtaining Crown leases to which they were not entitled. The most that could be urged against Carruthers was that he had acted imprudently in allowing his firm to retain any connexion with Willis. Even that was a counsel of perfection, because Carruthers was an able advocate and one of the greatest experts in land law, and why should he, although leader of the Opposition, cease to practise his profession? While there was no substance in the innuendoes against Carruthers, undoubtedly he was injured by the fact that, despite the magnitude and systematic character of the peculations, the leading villains of the piece escaped imprisonment. Criminal proceedings were taken in which Crick and Willis figured, but juries, somewhat loath to accept the evidence of a protected informer, agreed to disagree. It seemed certain that convictions would never be recorded and, ultimately, all criminal proceedings were abandoned.

CHAPTER XXI

HISTORIC DEBATE

THE session of 1905 was largely occupied with criticism of the Government for its alleged lack of vigour in following up the investigation of the Crown lands scandals. But Carruthers passed, against Labour opposition, an Act to authorize the sale of Crown lands near Centennial Park, and a Liquor Act which conferred upon the electors the right of saying whether, in their own electorate, the number of licences should be continued, reduced or extinguished. Moreover, at long last, a system of local government was applied to rural areas, although the Labour Party was unsuccessful in its efforts to apply the adult franchise to the election of councillors. Carruthers also introduced a drastic amendment to the Old Age Pensions Act which would have reduced the number of beneficiaries by fifty per cent. Holman and McGowen fiercely attacked this measure and ultimately it was abandoned. The Labour Party introduced a Bill for the abolition of all fees in State schools. A similar Bill had been twice carried by prior Assemblies but twice defeated in the Legislative Council. On this occasion, however, Carruthers procured the defeat of the Bill in the Assembly. It was typical of Carruthers's opportunism that, immediately before the general elections of 1907, he himself passed a Bill to abolish school fees. During the 1905 session Holman was at last appointed deputy leader of the Parliamentary Labour Party, a suitable formal recognition of a long existing fact.

In the Commonwealth Parliament there were, until 1909, three separate groups: a protectionist group led first by Barton and then by Deakin, a free trade group led by Reid with the assistance of Cook, and the Labour Party. In 1904, when J. C. Watson, the Labour leader, became Prime Minister for a short time, and later in 1908 when Fisher did the same, Deakin condemned the principle of "three elevens in the field". The comparison of politics to a game of cricket was unconvincing, and the witty saying was met by the obvious retort that Deakin did not mind how many elevens were in the field so long as he was batting and was never thrown out. In August 1904 Deakin refused to give Labour the kind of support which that party had generously accorded *him*, and Reid became Prime Minister in association with McLean and Turner of Victoria. But in July 1905, despite the fact that Deakin had agreed to support Reid, the latter was turned out and Deakin hurried back to the batting crease. On this occasion, however, he was pinned down to a definite agreement with the Labour Party which was evidenced by writing.¹ Reid, annoyed at the "instability" of the three party

system, and intensely resentful of Labour's decision to support Deakin once again, instituted an Australia-wide campaign against "socialism", thus foreshadowing the issue upon which he intended to fight the Federal elections of 1906.

Reid's campaign was taken up by the Press, particularly in Sydney. But he had great difficulty in giving life to his rather vague condemnation of socialist theory; further, as a result of the entente between Deakin and Labour, useful legislation was passed which, if it had a slight "socialistic" tinge, was certainly not based upon any general doctrine or dogma of socialism. Reid received challenges to debate publicly the doctrine of socialism as embodied in the Labour platform; but he refused to accept unless the New South Wales Labour Party was prepared to put forward an official spokesman. Cardinal Moran neatly summed up non-party feeling on the topic when he said that, in the practical affairs of Australian politics, Reid's campaign resembled Don Quixote's attack on the windmills. This comment hastened Reid's acceptance of the Labour challenge to debate after Holman was nominated by the executive to speak on its behalf. The matter proceeded apace. Two committees were nominated and they agreed to conduct the debate on two successive evenings in the old Centenary Hall, Sydney. The Lord Mayor presided on the first evening, each committee disposed of 850 tickets at 6d. each, and the proceeds were devoted to charity. It was agreed that each debater should speak three times on each evening and that in the aggregate each should speak for two hours and ten minutes. No vote was to be taken. Further, the agreed subject of debate was "The Principles of Socialism as Defined in the Objective of the Platform of the Labour Party". At this period, the platform declared that Labour's objective was (i) the cultivation of an Australian sentiment based upon the maintenance of racial purity, and the development in Australia of an enlightened and self-reliant community; and (ii) the securing of the full results of their industry to all producers by the collective ownership of monopolies, and the extension of the industrial and economic functions of the State and municipality.²

So remarkable a contest was bound to excite very great interest. At the time, the two men were probably the ablest public debaters in Australia. The only speakers comparable to them were W. M. Hughes and Deakin, but the latter's extreme affability and lack of capacity for enthusiasm or indignation had greatly reduced his former effectiveness as a debater; while Hughes's greatest oratorical triumphs were still before him, including, not least, his remarkable denunciation of Deakin in 1909 on the occasion of the formation of the Deakin-Cook fusion.

On 2 April 1906 subscribers came to the Centenary Hall at an early hour, and long before eight o'clock the hall was crowded. In open defiance of the Public Halls Act, the platform itself and all the passages and entrances were

blocked. The audience behaved excellently, frequently clapping and sometimes cheering, but never at any time interrupting or impeding either speaker. Indeed, the audience was representative of the intellect of the metropolis: there were eminent professors from the university, members of the learned professions, leaders of commercial and banking concerns, and almost every prominent official in every political organization in Sydney.

It was seldom that either speaker cited the opinions of others as his "authority" for any assertion. The only documents referred to were books of statistics or Blue Books containing official reports and investigations. Neither endeavoured to appeal to mere sentiment. Holman said later. "Mr Reid couldn't appeal to sentiment, and I wouldn't, and we both discussed socialism from the purely cold-blooded standpoint of pounds, shillings and pence." This comment understated Reid's capacity to use sentiment. Reid deliberately forbore, and for two good reasons. One was that a sentimental argument seldom comes with great effect from one whose *embonpoint* is very pronounced; for when referring with feeling (not at the Holman debate) to the fate that might be his in the next world, an interjector for once checkmated him by exclaiming: "Yes, George, the fat'll be in the fire then!" The second reason was that it was very difficult for any debater to call sentiment in aid while denouncing socialist *ideals*.

The fact that no interjections were permitted precluded Reid's use of his genius in crushingly effective repartee. Holman could deal fairly well with an interjector, but his skill was not comparable with that of Reid. On Holman, as the supporter of the objective of his party, fell the burden of the labouring oar. He had the task of expounding, as well as justifying. He prepared himself for the debate with care, knowing that the eyes of all Australia would be upon him and that not only his own, but his party's prospects, would be hindered by a failure and helped by a success. D. R. Hall assisted him in the collection of material and, on the platform, acted as "junior counsel" in turning up the references required.

Opening the debate, Holman was palpably nervous. Slowly he warmed up to his subject. Mr Reid, he announced, "has admitted that, taken as a whole, the Labour Party may be regarded as a good deal more than half civilized, and the *Daily Telegraph* had recently admitted—in the handsomest fashion—that we are a good deal more than half Christian—some of us wholly so". This bantering reference was the farthest Holman could reasonably go in the direction of fun, for, unlike Reid and Hughes, he was unskilled in the art of sharing with an ordinary crowd the rollicksome humour of a first-class joke.

Holman carefully developed his main argument. It was especially important because it foreshadowed what came to be his greatest practical contribution to the development of socialist practice in Australia:

Where these monopolies have reached the stage of the complete centralisation of an industry, where all the articles of a certain kind within a given community are made under a single control, there we say we have arrived at a stage of things which is absolutely incompatible with the continued freedom, happiness or development of the individual citizens of that country. If any man or group of men is permitted to establish a monopoly in a single necessity of life, to that extent that man is monarch of the community, and as free, independent citizens of Australia, we deny that we have struggled away from the tyranny of the old régime, that we have fought our way out of the old military institutions of the Colony, that we have overthrown the dictatorship of Downing Street, and established self-governing and constitutional institutions here in order to subject ourselves again to the unrestricted and unfettered tyranny of an economic mastership such as monopolists would be able to impose upon us.

Reid's slowly enunciated sentences, in tones which at times reached the pitch of a shrill pipe, soon lowered the temperature of the audience:

At the present time half the sheep may die, and half the crops may fail, and the workers in Sydney feel sorry, but they get their wages all the same. But they will enter into a new capacity then—wages on one side of your account, calls on the other—calls for losses in the Government-stroke-managed industries of Australia. Then my friend says competition will be disposed of. I say it will become more intense than ever; only it will be a competition for Government billets.

Holman also dealt with the allegation that the "Government stroke" would ruin any nationalized or socialized industry:

The Government stroke is a myth. The Government stroke is like the civil servant of the past—they have gone away together. There was a time when the gag that the civil servant need have no brains was true; today it is not. There was a time when the Government stroke was a reality; today it is not.

Holman emphasized that if the community delayed too long it might become impossible to deal effectively with powerfully entrenched monopolies, and illustrated his point as follows:

We say this, that a man drifting down the Niagara River might say, "I have gone the last twenty miles very comfortably drifting down in my little boat; I have done the last ten miles comfortably. I am going along faster and faster, and it is getting better and better." But the man who knows what is ahead of him says "Yes, so you are, but there is something in front of you which will make you feel very uncomfortable when you get to it—the Falls of Niagara." So with us, we are drifting along now, we are getting nearer to the Falls.

Reid's ready imagination was equal to Holman's metaphor:

If we only talked about monopolies I would not waste my time, because there are not many yet, and when Niagara comes I think we can do many things before we go over it. I decline to shoot Niagara when I am on firm ground. My friend wants to make us all shoot a Niagara a thousand years before we have come to it.

Holman pointed out that in the New South Wales Assembly, Reid had always been glad to receive Labour's support, although its platform then contained a far broader scheme of socialism, and aimed at general or "all in" nationalization:

It was while that old plank, which Mr Reid now describes as the broader plank, the plank which he says and rightly says, can be interpreted to mean the nationalisation of all industries—it was while that was on our platform that Mr Reid spoke of us in these terms. He said: "So far as the Labour party is concerned, although I am not a member of it, I regard it as one of the greatest honours that have ever fallen to my lot in political life to know that the Labour party finds it consistent with their principles to give me a loyal support. I am proud of my connection with the Labour party."

This drew from Reid a most impressive and powerful vindication of his action in co-operating with Labour during the years from 1894 to 1899:

I want to refer further to the Land Value Tax. I brought that in, and I was the first man in New South Wales who was able to make wealth pay a fair share towards the burdens of the community, and I am proud of it. I faced these big men one day, and I face the Labour Unions the next. I am ready to take on as big an antagonist as you can find for me anywhere. You will allow an old man to boast a bit.

"You will allow an old man to boast a bit" well illustrates Reid's rare genius as a speaker. The device was moving, even charming, and above all, most effective.

The last word was Holman's, and he used it well:

We regard the State not as some malign power hostile and foreign to ourselves, outside our control and no part of our organised existence, but we recognise in the State, we recognise in the Government merely a committee to which is delegated the powers of the community and whose duty is to use those powers not in the interests of a favoured class, but in the interests of all humanity. We recognise democracy. We recognise the equality of all men—their rights of life, liberty and happiness. State Socialism involves no tyranny and no despotism of the kind that denies that, but we say, only by an organisation upon the lines of the whole community can we hope to throw off the real tyranny of financial and capitalistic control, only by the power of the State can the workers hope to work out their emancipation from the bonds which

private property is able to impose on them today, and only by State Socialism, such as we now advocate, can we initiate a genuine republic in Australia, where all men shall be free, all men shall be equal, and no man shall make them afraid.

At the end, the tremendous applause evidenced the deep impression made by both speakers on the audience, and, through the Press, on the public at large. As a result, interest in debating became intensified. Debating societies sprang up in school after school. At the slightest provocation, obscure politicians began to challenge one another to public debate. But, since 1906, there has never been any debate at all resembling the great Reid-Holman debate in its effect upon public opinion. Reid was not entirely unsuccessful. He certainly obtained a great forum for the opening of his anti-socialist campaign, and doubtless this was his main object. But he did not reckon sufficiently with Holman's brilliant oratorical powers, or with Holman's intense preparation for the great occasion. For, on the whole, the latter's citation of proved examples of successful State and municipal enterprise carried the day with the special jury—for such in effect the audiences were. Later on, Holman published his impressions:

The attitude of a jury listening with the exemplary patience of juries to the alternate addresses of counsel is the only thing I can think of to which I can compare it. But this was a jury of nearly two thousand—men and women. It is a mere literal description of the state of things to say that through the greater part of each evening one could have heard a pin drop. Not a word was lost and not a point missed on either side.

After this success, Holman received congratulations from all over Australia. The shorthand notes of the proceedings were printed by the Labour Party and obtained an extremely wide circulation. In December 1906 the Federal elections were held, and Reid held fast to his cry of "anti-socialism". But, on the whole, his move was a failure. According to Reid, "most of the Labour candidates 'watered down' their socialism and Mr Deakin did not look far enough ahead. He professed to see no danger". The result was that, although Deakin's party lost considerable ground, Labour gained important seats in the key State of New South Wales. To a large extent, the foundation of these successes was laid by Holman's great debating effort.

While on the pinnacle of this great success, Holman was subjected to an ordeal which, had he not faced it with courage, might irretrievably have injured him. On 25 May 1906 Mr Justice Owen presented to the Governor his report on the land scandals; on 26 June the parliamentary session commenced; and on 5 July Holman was subjected to an attack of such virulence at the hands of John Norton (independent radical member for Surry Hills, owner of *Truth* newspaper, and one of the ablest journalists in the State) that he resigned his seat at Cootamundra.

CHAPTER XXI

CHALLENGE TO HOLMAN

At the opening of the crucial session of 1906, the Governor's speech referred to the improved financial position of the State and the steady growth of population. But the one subject which interested the Assembly was the land scandals report. What was going to happen to Crick? Would Labour move a vote so as to censure the Government's failure to punish the wrongdoers? For a time there was some doubt as to whether Crick would even face the music. But he turned up on the opening day, brazen as ever. Carruthers immediately gave notice of his intention to move that the House should consider so much of the Royal Commissioner's report as contained findings of misconduct against Crick, and that, upon such consideration, Crick should be directed to attend in his place. The Labour Opposition suspected that the real object of this notice of motion was to prevent a full discussion of the land report during the debate on the address-in-reply. At an early stage, John Norton strongly indicated his view that, as a further criminal charge against Crick was still pending in the courts, no one should in fairness discuss the report at all.

As the Opposition feared, the Speaker ruled that, in consequence of Carruthers's motion, that part of the Royal Commissioner's report which referred to Crick could not be discussed on the general debate on the address-in-reply. But other references in the report were open to debate. Carruthers said that, during the Royal Commission, he had felt as though on a treadmill; but he declared that "so long as there is a breath of life in me, if there is nothing else to make me cling to office, it is that I should be able to repel every charge". Holman interjected that it was the *Daily Telegraph* that drove the Government to appointing the Commission, and that there was inexcusable delay shown by the Government after the Royal Commission had reported that it required to be armed with greater powers. Speaking on the motion of censure, Crick gave a curious testimonial to the Carruthers Government: "Before I take the gloves off, I wish to say, distinctly and emphatically, that I know of nothing, and can say nothing, nor have I heard reliably anything, that can reflect on any member of the Administration."¹ Norton interjected: "Nobody but the papers have said you did." Crick replied: "I never said I did," to which Norton said: "No, certainly not."

Crick then denied the Labour Party's statement that his first criminal trial (where the jury had disagreed) had been a "fiasco". Norton at once

interjected: "The hon. member for Cootamundra could tell him about that"—a slur on Holman which was soon to be elaborated. Crick repudiated the contention of some Labour speakers that the second prosecution which was still pending against him was only "a move on the part of the Administration to stop the mouth of Parliament". Crick exclaimed: "I say, to all and sundry that that is an absolute lie." How Crick could answer for the Government's motive no one could tell. When Thomas Henley interjected, Crick retorted: "Nemesis is on the hon. member's track," and an interjector supported Crick with the polite statement—"he will finish up in a septic tank." Crick continually returned to the task of protesting Carruthers's innocence: "If it was to save my dying breath," he said, "I could not say one word antagonistic to the reputation of the Prime Minister."

On the adjournment of the debate, Holman pointed out that it was almost impossible to continue it "unless the full evidence of the Commission was in the hands of members". Immediately Norton interposed, said that he was "inclined" to support the ministry, but that the printed evidence must be made available immediately. "I find," said Crick, "that the evidence on which are founded the conclusions of this doddering old chap is not in the hands of hon. members . . . I do not blame the Prime Minister; I do not blame this poor old chap who was waiting for the grave." Neither the Speaker nor Carruthers did anything to stop Crick's blackguardly attacks on Sir William Owen, who, largely as a result of his labours as Commissioner, was very ill. The *Sydney Morning Herald's* justifiable comment was:

We have had scene after scene in Parliament, the debate and its interruptions have touched melancholy depths of abasement, and the Assembly and its historic hall have been insulted by behaviour such as few Australian Parliaments witness, and none should permit without instant and condign punishment. Yet the Premier has made no sign.

In answer to Holman's request, Carruthers merely promised that the printed evidence would be in the hands of members at the time when his motion in relation to Crick was debated.

On the third night of the censure debate, Daniel Levy, a Government supporter, attacked Holman on the ground that the latter, having made a speech in the House on a railway coal contract, had subsequently appeared before a Royal Commission as a paid advocate for one of the parties concerned in the contract. The fact was that when Holman announced to the Royal Commission his appearance on behalf of such party, the president of the Commission had asked him whether he appeared as counsel or merely to support his speech in the Assembly. The ambiguity was cleared up in a moment. But the real significance of Levy's very frivolous and irrelevant attack on Holman was its revelation that the Government was desperately

attempting to save its face on the land scandals matter by launching a personal attack upon its most dangerous critic.

Levy's speech also showed that the Government had carefully considered Holman's speeches on the land scandals. Levy even quoted a *Worker* report of a speech in which Holman had charged Mr Carruthers with using the powers of his high office to shield those who had been guilty of corruption. "Those were the facts," Holman was reported to have said, "and there was not a jury that could be empanelled in New South Wales that would not, on that evidence, find this Government guilty of shielding corruption. . . . It is clear that it is no use expecting any full investigation by a Government that was supported by those who were practising the corruption."

Holman followed Levy, and the House at once filled. He said that he had suffered two painful experiences in close succession in having been compelled to listen to both Crick and Levy. He dismissed Levy's speech as one of "studied inanity", and explained that, before he had been briefed, the Royal Commissioner on the coal contracts had asked him to attend and explain the charges made by him in the House. He had explained to the president that he was subsequently briefed by an interested party, and no further objection was raised. He had consulted eminent professional opinion on the matter, which had endorsed his action in appearing as counsel. No conflict of interest had arisen, because Holman as advocate was endeavouring to support the views expressed by him as a member of Parliament. Holman added that, in his speech in the House, he had suggested that a charge of dishonesty might be laid against a certain railway official. This charge had been clearly disproved before the Commission, and he now wished to make full retraction.

The fact that Carruthers had chosen to table the report of the North Royal Commission—relatively a very trivial affair—simultaneously with the vital report dealing with the land scandals, the fact that Carruthers himself intervened during Holman's speech on the former matter, and the fact that Levy had obviously been coached to attack Holman—all evidenced a carefully planned Government move to deflect attention from the land scandals report by embarrassing Holman as Labour's spokesman.

Next Holman turned to a discussion of the Lands Commission. He denied that he had charged Carruthers with deliberate hindrance of the Commission's work. He added:

By a deliberately devised series of acts of omission at critical moments the Government brought about exactly the same result as they would have achieved if they had thrown some definite hindrance in the way of the Commission. That is our position and it is clear. The Government never acted until they were flogged into action by the Opposition and the force of public opinion,²

Holman brushed aside Levy's extraordinary argument that he should have refrained from all criticism until the House met. What he had said outside the House was said without the protection of legal privilege, and he adhered to every word of it. He defined the persons "who were practising corruption and supporting the Government" as the squatters and pastoralists who had given money, well knowing that it was to be used for the purpose of bribing the Minister of Lands. Holman elaborated on the delay in arming the Royal Commission with ample powers:

If that Bill had been passed *before* Willis left this State we should not have had the inquiry dragging on as it did for nine months; we should not have had this House with its hands tied for nine months.

Although Willis had been arrested in Western Australia, and remained there under arrest until 17 July 1905, yet it was not until 19 July (after Willis had been released from custody) that the necessary Bill was introduced.

The first charge we make against the Government (said Holman) is that they studiously avoided securing the attendance of Willis before the Royal Commission. The second charge is that the Government has been guilty of a long series of bumbles and mismanagements—to put it no stronger: first in connection with their actions to bring Willis back from South Africa, and, secondly, in the steps they took in connection with the recent trial of an hon. member of this House . . . the whole conduct of the Government has been feeble beneath understanding.

Holman's third charge was

. . . that the Government prior to calling Parliament together have initiated criminal proceedings once again, which they knew could have no effect except to embarrass the free course of debate in this Assembly. . . . If matters were *sub judice* when the Royal Commission was sitting, it seems that afterwards they must be *made sub judice* somewhere else in order that the hands of honourable members might be tied.

It should be observed that, owing to the Speaker's ruling on Carruthers's notice of motion regarding Crick, Holman was prevented from referring to Crick's conduct as exposed by the Royal Commissioner. The attack had to be limited to other matters in the report.

Wade, the Attorney-General, condemned Holman's statements as absolutely "reckless and unscrupulous". As early as August 1905, Holman had publicly exonerated Wade personally from any implication in his charge of delay. But the latter refused to allow any distinction to be made between himself and the Premier or Minister of Lands. He mentioned that McGowen's speech, suggesting that Willis should be brought back to Sydney at all

hazards, had been used in the South African Courts as an argument against making any order for his compulsory return to Australia.

On the following evening, Crick excelled himself in violence, and treated with contumely the Speaker's repeated requests for order. Complaining of a Press report, he said to Mr Speaker: "You cannot stop me; if I catch him to-night I will pull his wind-pipe out and there will be one bastard Jew less in this Colony." Such was the desperation and impudence of the man.

It was then that John Norton spoke. He said that Wade's reply to Holman had been both crushing and convincing and that the Labour Party's attitude to Crick was a mere echo of the Sydney newspapers. He added:

It does not matter to me what innuendoes are made about "the silence of John Norton"; but the silence of John Norton will be broken here tonight after tea and I ask the honourable member for Cootamundra to put off his pleasure trip with the Governor to Cootamundra in order to listen to what I have to say; I shall have a few words to say after tea.

Holman at once interposed: "Say them before tea," but Norton repeated: "I will say them after tea." Holman retorted: "The hon. member knows I shall be away"; but Norton proceeded: "and after saying them I will ask the hon. member to accept my challenge to resign his seat and contest Cootamundra with me on the question of his personal probity. If that is not good enough to make him stop, then nothing will stop him." Norton added that his resignation from the House would be placed in the hands of a member to be delivered to the Speaker as soon as Holman accepted his challenge and also resigned, when, said Norton, "he can go to Cootamundra in my company instead of the company of the Governor".

It is perfectly plain that, whatever his ultimate motive, Norton had determined, at all costs, to divert public attention from Labour's attacks on Crick and Carruthers. Crick's very strained attempt to vindicate Carruthers had been of no value to the Government, rather the contrary. Further, Carruthers's and Levy's dragging in of the Coal Commission showed that there was a scheme to attack Holman during the debate on the censure motion before the latter had any opportunity of discussing Crick's conduct in reference to improvement leases. It is a mistake to regard Norton as a wanton libeller; on the contrary, he was an able and astute politician. In past years he had been closely associated with Crick, both with him and against him. There is every reason to believe that Norton's attack on Holman was launched partly to assist Carruthers and partly to assist Crick. The apparent object was to remove from the House, for the time being at any rate, the clear brain and eloquent voice of Holman. All the surrounding circumstances suggest that it is impossible to explain Norton's attack on Holman except as (i) a cold-blooded and useless attack upon a rising politician who was well able to repel it, or as (ii)

part of a scheme to remove Holman from the Assembly throughout the crucial period when the fate of Carruthers as Premier and Crick as a person under indictment might be determined or affected by the debates in the Assembly. The first hypothesis is most unlikely, the second is highly probable.

Holman's engagement to join the vice-regal tour of his electorate could not be postponed. He had to leave Sydney and was absent when Norton resumed his speech. Holman (said Norton),

... is one of the most corrupt and incorrigible booblers that ever sat in the House. I have been on the track of the hon. member for a long time. I warned him. I said "You will come a cropper! Take care! You have already been criminally convicted of fraud—you are a convicted felon who has got off by a technicality."³

Norton then embarked upon a short but inadequate discussion of the *Daily Post* case, asserting that it was a case of "the most contemptible, dastardly form of swindling". He spoke in what was for him a strangely disconnected fashion, suggesting that he had little stomach for his task. At one time he rather suggested that Holman's blame lay in his having been convicted, as contrasted with Norton himself, who "had courage and intellectuality enough to escape a verdict before 20 or 30 juries". Norton then quoted a Cootamundra paper which had suggested that he and Carruthers were not very anxious to assist in the quick return to Australia of their "dear Mr Willis", for Willis was threatening to strike out lustily against them on his return. Norton charged that Holman was responsible for this article.

Norton made several other charges against Holman, including a reference to his alleged breach of etiquette in appearing before the Royal Commission on coal contracts. This was the same matter which Levy had already discussed *ad nauseam*.

Holman was hundreds of miles from Sydney when he heard of Norton's attack. He was almost dumbfounded. He had supposed that Norton's threat was pure bluff. Like many gentle natures, Holman was bewildered by the combination of supreme invective and intention to destroy. At first, he was inclined not to resign his seat, an attitude which the Press seemed likely to support. The *Sydney Morning Herald* refrained from publishing Norton's speech without Holman's reply on the ground, subsequently stated, that the allegations were "of a character so seriously reflecting on the honour of Mr Holman". This journal did not publish the attack until Holman had made full reply in the House on 5 July. Instances of such scrupulous fairness are not common in the history of Australian journalism. The *Herald* also raised doubts as to whether resignation was the proper course for Holman to adopt.

Fortunately, Holman's visit to his constituents gave him the opportunity to discover that he could hardly ignore the Norton indictment. After several

consultations, he decided to answer Norton's charges in the House, and to follow up his answer by accepting the challenge to resign. On the reassembly of the House, Holman at once sought the Speaker's permission to make a personal explanation. At once he was warned: "I cannot allow the hon. member to make a second speech." As Norton's personal attack upon Holman was not related in any direct way to the question before the House, the Speaker's warning was quite unjustified. But frequent intimidation of the Speaker and the members had given Crick and others a practical immunity from the ordinary rules of debate, and this often obstructed the right of reply to unfair attacks.

Thus hampered by the Speaker, Holman confined himself to strict reply. He first dealt with the *Daily Post* case. His frankness made a deep impression. "It is perfectly true," he said, "that a jury, after a most patient hearing, found me and three other men guilty, and it is no less true that on appeal that conviction was quashed, and that no proceedings were afterwards taken against me." Of the *Daily Post* directors, he said: "Of course it was our want of business knowledge and acquaintance with affairs of the world which created that."

Holman quickly disposed of Norton's allegation that he was the author of certain newspaper attacks. Holman read statements from the Cootamundra newspaper editors who absolutely denied Norton's charge. "When," said he, "the hon. member suggests that it is because I have written articles against him he now comes and makes a speech against me, he is making a suggestion which is only put forward to cover the real and obvious motive of the attack." . . . "I think," Holman proceeded, "the question of the motive of the hon. member in making the attack on me is an important one." Again the Speaker intervened to prevent Holman's exposing the purpose of the attack, although that matter was an inseparable part of Holman's defence.

Norton alleged that Holman had asked certain bookmakers for financial help to members of the Labour Party during the crisis of 1899, when the Reid Government was tottering. Holman admitted that attempts had been made to get financial assistance, but added:

If the honourable member for Surry Hills suggests in the faintest or remotest way that on the occasion of the interview that took place between the emissary of our party and this sporting gentleman whom he speaks of, a suggestion was made of personal profit to me of any kind, it is an absolute falsehood. There was nothing of the kind; I challenge the fullest investigation.

Then Holman dealt with another charge, namely, "boodling" from the brewers:

Then we come to a direct charge of corruption. The honourable member says that I had been accepting boodle from the brewers, and my attitude on

the floor of the House in connection with the Liquor Bill was the direct outcome of my having been bribed by the Liquor interests. I say that is an absolute lie, and, I believe, a lie knowingly and deliberately uttered.

Holman explained that he had always been opposed to the "local option" scheme of reducing or terminating licences, and that in 1904 he had been responsible for the refusal of the Labour Conference to include "local option" on its platform.

Holman next answered Norton's charge that, in conjunction with G. S. Beeby, who was then a solicitor, he had promoted Industrial Arbitration Court litigation with a view to making fees. The fact was that Beeby's firm had been concerned in two hundred disputes, but briefs had come to Holman in six cases only. "I can only assure the House," added Holman, "that the man who works for the Unions, particularly the poor Unions, as I have done, does not make much out of it."

Holman then dealt with a minor charge of Norton, and commented:

And I say again, most emphatically, that the honourable gentleman, with all his battalion of underground spies, cannot show one atom of dirt sticking to my fingers in that matter. I am prepared to give the full facts to any tribunal the House cares to appoint.

He then referred to the North Royal Commission on coal contracts, claiming that Norton had merely echoed Levy's criticism. Holman continued:

But things have come to a pretty pass if a man who, being at the Bar, and being a member of this House, and thereby deprived of a large amount of practice, deprived of his share of Government practice, as all barristers in this House are, is not to be permitted to take a brief in a matter of this kind because some honourable member chooses to allege that it is a public matter!

In this calm way, step by step, carefully separating each individual charge, Holman answered every one of Norton's attacks, and he concluded:

I do not feel that a man is attacked who is merely accused by the honourable member. There can be no defence where there is no attack. But I bring the matter before the House as a mark of my respect for the House, and of my desire to see the high standard of Parliamentary propriety maintained. Having to the best of my power cleared myself of any suspicion which may attach on account of the charges made by the honourable member, I now propose to confer a service on the community at large by accepting the proposal which was rashly made by the honourable member for Surry Hills on Tuesday night last. I will place my resignation in the hands of the hon. member for Belmore tonight, so that the two resignations may be put in together; and with the permission of the House, I shall appeal to my constituents at Cootamundra

who know me, and who, I believe, know the honourable member for Surry Hills as well. I leave it to the intelligence and enlightenment of the district to judge between us.

Despite the anxiety of Government supporters as to the outcome of the land report, Holman's restrained, earnest and dignified tone completely captured the House. His dramatic announcement that he would accept Norton's challenge raised loud cheers instead of the usual mumble of "hear hears" that parade as applause in Houses of Parliament. In dead silence, Norton walked out of the Chamber. A moment after, Holman withdrew accompanied by ringing cheers in which the majority of Government supporters joined.

CHAPTER XXIII

CRUCIAL BY-ELECTION

THE attention of the whole State was now focused on Cootamundra. Norton was a highly skilled political campaigner. Not only did he control a powerful weekly, but he was a brilliant journalist, very experienced in exploiting all forms of electoral publicity. The *Sydney Morning Herald* sympathized with Holman:

It may be said at once that Mr Holman has not suffered by the attack made upon him. He has probably been benefited, even in the ranks of the Labour party, by the forcible straightforward explanation given by him yesterday afternoon in the Assembly; for he had doubtless in the past found critics among his own people, and his ability and enthusiasm have not saved him from misunderstanding, if not abuse. So much is due to the late member for Cootamundra.

That journal next referred to the community which had to pay the expenses of the duel. Its "only compensation can be if the challenger in this instance is relegated to private life". The *Herald* then demanded, that, in the public interest, the duel should not degenerate into a scrimmage, and that no other candidate should obtrude himself.

Norton immediately produced a scathing manifesto, a copy of which was posted to every elector in Cootamundra. With a great show of fairness, he also sent to each elector a copy of Holman's speech in defence. In stating his case, Norton taunted the Sydney Press for supporting Holman after so recently "denouncing him and his Parliamentary colleagues as members of a corrupt caucus and as menacers of matrimonial morality". At the time of his resignation, Norton was member for the Sydney industrial constituency of Surry Hills, but in his manifesto, he claimed that his past experience as member for a country electorate should make him an ideal "roads and bridges" representative of Cootamundra.

On 11 July Holman addressed a crowded and excited meeting of his constituents at Cootamundra. He said that the motive for the personal attack was to obstruct the Labour Party's honest efforts to expose and punish every person implicated in the land scandals. He referred to the mysterious attitude adopted by Norton's *Truth*. He said:

Those who were in the habit of looking in the columns of Norton's paper for light to be thrown on any scandal looked in vain for light on this scandal. The paper which was eloquent on every other scandal was silent on this one. It was silent when the reputation of Mr Willis was at stake. Though again

and again it was mentioned in Parliament and out of it, the voice from Surry Hills was as mute as the harp that hung in Tara's Hall. Recently Mr Norton broke the silence by publishing in *Truth* an article not complimentary to those who wanted to get Willis brought back to New South Wales. They were no doubt aware that Mr Willis was in some way associated with *Truth*, but he did not know to what extent. Mr Norton was doing all he could to shield Mr Willis in this trouble; and all who said anything about him were to be shown up.¹

Holman suggested that, if he had been willing to preserve a discreet silence on the land scandals, Norton's attack would never have been made:

There was a crime in our criminal code known as blackmailing, in which, when a man was to be attacked, he was asked for money to avoid the attack being delivered. Well, he was not asked for money, but the price he was to pay was to let Willis pursue his wanderings. If he was prepared to do that, he would not have been attacked by Mr Norton. Every man who stood up to speak on a matter affecting the well-being of Norton's gang was open to be attacked.

The meeting was enthusiastic in its support of Holman. On the following evening Norton addressed an equally large meeting. He did not enjoy so uninterrupted a hearing. He produced what he called "sworn affidavits" dealing with the *Daily Post* case, the facts of which he distorted against Holman. On this aspect, Norton had difficulty in explaining why he had ignored the matter for ten years and why, at the time of the prosecution, his newspaper actually championed the *Daily Post* directors.

Whether he became frightened of an ignominious defeat, or whether, as seems equally likely, he had already achieved his main purpose by forcing Holman out of the Assembly, Norton caused a great sensation by announcing his decision to retire from the Cootamundra contest in favour of a third candidate and to seek re-election for his own seat at Surry Hills. This move was not calculated to help Holman who would have defeated Norton with comparative ease. For instance, the *Cootamundra Herald* swung its support behind Fitzpatrick, who seemed likely to reap the benefit of Carruthers's support as well as that of Norton. That influential paper had already said:

Now, there is an easy way for Mr Holman to answer Mr Norton, and that is to cease evasively chattering and scandalizing him from the platform, and to take up Mr Norton's challenge to have the matter settled in a Court of law. We are not holding a brief for Mr Norton. We do not favour his political views. We are not supporting Mr Norton in this election. We do not wish to see him elected in this contest. As the whole of the citizens of Cootamundra know, we are working for the return of a white, clean man like Mr Fitzpatrick.

But for Norton's withdrawal, the entry of Fitzpatrick as third candidate and supporter of the Carruthers Government would have ensured a comfortable victory for Holman. There was no preferential system of voting and the

candidate "first past the post" was the winner. Now the situation was changed, for Holman had to fight a popular local candidate and to fight him while himself under a cloud. Although Holman's majority at the 1904 election exceeded 600, that election was not affected by any personal issue; it seemed by no means impossible that Norton's attack would deprive him of 300 or 400 supporters. If so, he would lose the seat. Further, Holman's campaign tactics had to be changed immediately. He said:

Mr Fitzpatrick claims particularly to be an anti-Socialist. But he wants just enough Socialism as will give to farmers a State Land Bank, assistance in supply of wire-netting and general encouragement of their industry. I agree with these proposals, and have strenuously fought for them. But my Socialism extends to the men and women who are sweated in factories and shops, to the miner in Broken Hill, and to all classes of our industrial population.

A section of the Press assailed Fitzpatrick as well as Norton. The *Sydney Morning Herald* said that it was "much to be regretted that the intrusion of another candidate as soon as the vacancy was made gave the challenger a pretext of scuttling out of the contest. By so doing, the task before Mr Holman is made so much the more difficult".

Fitzpatrick was openly assisted by Government supporters; while he refrained from repeating Norton's charges against Holman, he was unfairly exploiting a situation which had arisen solely because of such charges. "Even at the eleventh hour," said the *Sydney Morning Herald*, "we would welcome Mr Fitzpatrick's retirement." His refusal to withdraw suggested that powerful influences had inspired the candidature. However, as a result of Norton's retreat, the fierceness of the contest gradually abated, and on 28 July, when the poll took place, the vote was smaller than that of the general election. In spite of that, election night was very exciting. From the first return, Holman's position seemed secure. At Cootamundra itself, Holman obtained a lead of 150, more than double his previous majority, and his previous majorities at Junee and Temora were but slightly reduced. The result of the contest was:

Holman	...	...	...	...	...	2296
Fitzpatrick	.....				..	1664
						<hr/>
Majority	..	..	.....	...	...	632
						<hr/>

Holman was nearly exhausted with physical fatigue and mental anxiety. For over a month he had been straining every nerve. The *Cootamundra Liberal*, endorsing a contemporary's prophecy, that "Labour or no Labour, Mr Holman is one of the coming great men of the State", graphically described Holman's campaign from the moment he hurried back to Sydney to answer Norton's challenge.

Norton paid dearly for his attack. Losing much Labour support, he suffered a surprising defeat at Surry Hills where he came fourth on the poll. The intriguing question remains, what was his precise object in forcing Holman's resignation? It was often asserted that he was intent upon protecting both Crick and Willis against punishment for their conduct in procuring the grant of improvement leases. The *Sydney Star* suggested:

It is said that the recent sensational dual-resignation had its foundation in a move to obtain the support of the Labour party for Mr Crick's appeal for the suspension of the judgment of the House on the report of the Royal Commission until the criminal proceedings which had been instituted by the Government had terminated. To further this move, Mr Holman was approached, and asked to use his influence to bring his party into the balance to assist the course suggested by Mr Crick. This Mr Holman refused to do. Then, it is alleged, he was informed that if he did not agree to this course certain disclosures would be made.

This theory is weakened by the fact that Holman never alleged that there had been so direct an attempt to blackmail him; if such an attempt had been made, he erred in not revealing the matter to the House or in not taking criminal proceedings. But enough has been said to show a direct connexion between Norton's attack on Holman and Holman's attacks on the Carruthers Government in connexion with the investigation of the Lands Department. Cootamundra so interpreted it, the Assembly so interpreted it, the State so interpreted it.

Carruthers saw to it that the Assembly was never allowed a full and free discussion of the land scandals. After Labour's censure motion was defeated on a party vote, the House proceeded to consider Mr Justice Owen's finding that "of the sums received by Mr Close as Land Agent in respect of matters being dealt with by the Minister for Lands (Crick), Mr Crick accepted one half". Thereupon the Speaker ruled that, as a criminal charge based upon the same matter was still pending against Crick, it was not in order to discuss the Royal Commissioner's imputations of criminality. Dissent from the Speaker's ruling was moved, but the ruling was upheld, Carruthers himself thinking fit to argue that the Speaker must be supported. Next, McGowen moved a censure motion on the Government for having failed to vindicate the honour and dignity of the House. This motion was also defeated. Next, the Government proposed, and the House adopted, a new standing order by which the House was empowered to suspend a member pending his criminal trial whenever the Speaker had ruled that, on account of the pendency of such trial, the House could not debate the question of his misconduct. In pursuance of this new standing order, Crick was suspended from the House on 24 July. After the criminal trial had ended in a disagreement, the House

resolved, on the motion of Carruthers, that Crick's conduct "should" render him ineligible to remain in the house. This curious proposal, far less vigorous than expulsion, was very suggestive of pre-arrangement, especially as it was followed by Crick's "voluntary" resignation. After considering the Royal Commissioner's report, the Supreme Court struck his name off the roll of solicitors, and he never returned to the Assembly. Crick resigned in December 1906, and the Labour Party, whose candidate was G. S. Beeby, nearly gained the seat, Carruthers's candidate winning by an extremely narrow majority.

In the result, the attack on Holman, whether or not it was inspired by Carruthers, turned out to his positive advantage. Although the *Daily Post* matter had been unfairly used when he was admitted to the Bar, the public generally was not aware of that fact until it was revealed during the Cootamundra by-election. Even in the debate with Reid, the latter, albeit under some provocation, had dragged in the *Daily Post* case, a reference which was quite unworthy. In the circumstances, it was better for Holman to have the whole affair openly discussed, in order that it should never injure him again. After the incident, no further trace of personal hostility to Holman was displayed by Norton. Indeed the latter took his humiliating rebuff in a good-natured way. At a later stage, soon after his re-election to the Assembly, Norton challenged Robson, the liberal member for Ashfield, to debate a certain question at the Ashfield Town Hall. "Ah," said Ashton, "the hon. member might have another Cootamundra." Norton replied sadly, "I am not going to commit the error of Cootamundra again. Once bit, twice shy."

CHAPTER XXIV

AN OPPORTUNIST FIGHTS WELL

IN the result, the Cootamundra diversion was of little permanent value to Carruthers. What did help him was the fact that the Royal Commissioner accepted the full responsibility for any delay in obtaining a Bill to extend his powers:

I took upon myself the full responsibility of not asking for further powers until it was shown that such further powers were necessary. If I had asked for them earlier, I have no doubt the Government would have acceded to my wishes. But the necessity for the additional and unusual powers was only apparent from the evident intention of a very few witnesses to flout the Commission, and to disclose nothing except what they could be forced to disclose.

But Carruthers was still pursued by relentless critics. On 14 July 1906 the *Daily Telegraph* said: "The Government always moved too late, and every time came shambling in at the heel of the hunt. The doing of the right thing was doggedly delayed until the arrival of the wrong time."

After the Cootamundra by-election, the same journal said that: "From the first (the Carruthers Government) showed an unwillingness to do any more than it was flogged into doing." Under the caption "A Citation of Plain Facts" it set out in elaborate detail Carruthers's dealings with land agent Willis. "The fact remains (it said) that he (Premier Carruthers) is supreme director of the proceedings in which both his land agent client (W. N. Willis) and the ex-Minister (Crick) are mainly involved, and these proceedings have been bungled from the very start in a way that has singularly suited the purposes of both."

The Cootamundra by-election had effectually prevented Holman from dealing with the land scandals during the session of 1906. But the matter came into fresh prominence during the 1907 session, when W. H. Wood suggested that the Labour Party itself was to blame for having supported See and thereby condoned Crick's corrupt administration. During the by-election caused by Crick's resignation, a circular had been prepared by Carruthers condemning the Labour Party for having failed to expose Crick. The circular described Labour as the "Keep it Dark" party. Wood now pursued a similar theme and derided Labour for its attempts to

. . . stand pure and immaculate on a platform that had been specially constructed by the hon. member for Cootamundra, silver-lined with his eloquent and unscrupulous utterances, throughout the length and breadth of the country. This immaculate party stands, and will stand before the people of the

country on this silver-lined platform made by the hon. member for Cootamundra and his agents, who are organizing in the country. Hon. members know what organizing means with the party opposite. They know that their organization does not rest upon open attacks on a party or an individual who differs from them on the broader and higher political ground. They know that their organization rests on the same methods as they endeavour to carry out in the House—to besmirch, throw mud, smother with filth those in the community who do not think as they do.¹

Holman immediately rose to answer Wood, and commented on the fact that Wade, the Attorney-General, had not yet spoken. He then dealt with Wood's speech:

Some hon. members keep their surmises, guesses, suspicions and ideas to themselves, and today enjoy that reputation for wisdom which comes from the possession of a still tongue. But the hon. member has not the self-control and the sagacity to do that. He has spoken; he has put his views on record; and if any man in New South Wales stands condemned today for folly and ineptitude when he had the ball at his foot it is the hon. member for Bega. Animated, as we all know him to be, by the utmost personal malice against Mr Crick, anxious as he has displayed himself, to find faults with that hon. gentleman and pick holes in his doings, on neither occasion did he state one word of dishonesty of motive or corruption of practice on the part of Mr Crick. The hon. gentleman can say what he likes. He can read every word of his speeches. I read one of them all through to a public meeting which I addressed some time ago. It was a tedious and unwarrantable experiment to try upon an unsuspecting body of citizens, but the hon. member has now placed it upon permanent record that when he spoke he could find no fault with the honesty or purity of Mr Crick's administration.

Holman, while teasing Wood unmercifully, completely answered the main point of his attack upon the Labour Party:

The House will see as clearly as I do the complete difference there is between attacking a man's policy and attacking a man's honesty. It will see the difference between attacking a man's actions and attacking a man's motives, and that it is quite possible for a body of men to believe that a certain man's actions may be wrong and yet believe that his motives may be pure. If the hon. gentleman wants to put an end to the Labour movement, he can put an end to it as far as I am concerned, because he can secure my resignation from the politics of the country by doing this: If the hon. gentleman can point to a single passage in either of the two speeches he made on those occasions that in the slightest degree impugns the purity of Mr Crick's motive, I shall be prepared to go out of active politics altogether.

Holman's answer to Wood was quite convincing. It is quite certain that, although it supported the See Government, the Labour Party never suspected

the corrupt practices of Crick. None the less, Carruthers's manoeuvres were not without effect, for he succeeded in creating sufficient confusion to make many think that Labour was as much to blame as the other parties.

As the general elections approached, Holman gradually changed the main ground of attack. Speaking at Gundagai in July:

Dealing with the North Coast Railway, he said it was the most infamous job of the last ten years. Three millions were to be squandered on work that had been condemned by the Railway Commissioners and the Works Committee. To provide for thousands of disappointed land seekers, the Government had resumed two stations. It was like offering an acid drop to a starving man.

Carruthers made further last minute bids for public support. Despite the part he played in Reid's great fiscal reforms of 1895-6, he now advocated the abolition of the income tax and of the stamp duty on business receipts. He proposed also to reduce railway fares, to reorganize the Lands Department, to inaugurate a scheme of workers' compensation.

As against this, the Labour Party's fighting platform was: (i) Free education—primary, secondary, technical and university; (ii) a workers' compensation Act; (iii) anti-sweating legislation; (iv) amendments in the Arbitration Act; and (v) State regulation of hours of work.

Carruthers angled for the temperance vote and used arguments which suggested how rudimentary was the technique of the party fund organization:

I wish to warn the Liberal electors not to take matters too easily, not to hold the opponents of the party too cheaply. There is need for work by all and vigorous work too. We have to face a combination and not one party alone. It is manifest that the Labour Socialist vote will this time have the assistance of an organised liquor trade vote. The Labour Socialist Party is not only well organised but it is well equipped with funds and is backed up by its own press and printing office, whilst the liquor trade and sporting leagues have sources of funds beyond the command of the Liberal party.²

So far as the liquor interests were concerned, there was some basis of fact for Carruthers's comment, for an official of the Liquor Trade Defence Union had recently said:

The new Liquor Act, passed by the Carruthers Government, was an iniquitous measure and a stab at the Labour party. The only friends the liquor trade had in the assembly were the Labour party, who fought tooth and nail so that they might get something like a reasonable measure.³

On the liquor question, Holman's hostility to local option was unequivocal. He specially condemned the provision by which, in the event of

"No Licence," being defeated in an electorate, the votes for "No Licence" were counted again as votes for "reduction" rather than "continuance" of existing licences.

The House was dissolved, and the elections were fixed for 10 September. Carruthers's anxiety was increasing daily. Early in August he spoke about the land scandals, and used almost violent language in defending his personal administration. But the long-continued newspaper agitation had been effective; and it seemed likely that thousands of votes would go against him, though not necessarily in the direction of Labour. In order to stop the rot, Carruthers claimed that his Liquor Act had "benefited the public by stamping out the pernicious jug trade, whereby many children had acquired a taste for drink and become the associates of drunken men". This exaggerated claim seemed to have made little impression, since the "sporting" community coined the word "wowser" to indicate their repulsion for a "kill joy" lay figure combining the qualities of a Stiggins and a Chadband.

All at once the political centre of gravity altered. On 9 August the new tariff proposals of the Deakin-Lyne Federal Government were announced. That Government was sustained in office by the Labour Party. It was announced that under the new tariff, wire netting, which had formerly been on the free list, would be subject to a duty of thirty per cent. On 13 August Carruthers said that, at a time when no duty was in existence, the State Government had purchased in England on account of New South Wales settlers 4000 miles of wire netting and that there were still 1500 miles of netting to be delivered under the contract. As a result of the new tariff, the duty payable would amount to £10,000. Ashton made the valuable practical suggestion that as the State would, under the Braddon clause, get back three-quarters of the duty, the Government could avoid any hardship by giving the settlers at least the benefit of this repayment. This did not suit Carruthers. He saw a chance of making a great election issue out of the affair. A simple practical solution was the last thing he wanted.

On 13 August Carruthers issued a statement calculated to appeal to free trade supporters and to those who were distrustful of the strong Victorian influence in the Commonwealth Ministry:

The Federal Government which was kept in office by the Labour party, and which could not exist for 24 hours without the help of the Labour party, was piling up the burden on the taxpayer, and the Labour party could not evade its responsibility in the matter. What did the new tariff mean? It was not merely a question of protection; it was a question of taxation. Under the new tariff proposals, the producers of New South Wales would be taxed right up to the breaking point. It was a tariff designed especially to encourage the industries of Footscray and Collingwood, and to destroy the interests of the tillers of the soil in every part of Australia.⁴

At that time there was no well-established Australian wire industry to be protected. Carruthers seized on this:

What makes matters worse is that although there is no factory in private hands in Victoria, the Government determined some time ago to manufacture netting in the gaols. Machines for that purpose were ordered by the Victorian authorities, and are now being made in New South Wales, so that the farmers will have the consolation of knowing that they are paying this extra thirty per cent. duty in order to give employment to prisoners in the Victorian gaols. In other words, we are to keep our rabbits, our foxes and our dingoes in order to provide work for the criminals over the border.

As the Premier of New South Wales chose to use arguments of this extreme character, it was only a short step away to the final cry of secession from the Commonwealth. The Labour Party was very embarrassed. The New South Wales movement, largely because of Holman's influence, had never favoured a general extension of Commonwealth powers. So the *Bulletin* depicted the electoral contest as one between two knights, each of them bearing the same shield and displaying the same device, to wit, "State Rights". Carruthers says to McGowen: "By my halidom, your crest beliketh mine." To whom McGowen: "Yea, and your shield hath the same device. Why should we fight?" Carruthers's answer is: "In truth, I know not, but you spectators expect a contest. Let us break a lance."

Carruthers was confident that his "State Rights" cry was growing in strength. On 16 August he announced that his Government would deliver the wire netting to the farmers, free of duty. By this step, the issue was narrowed to the question whether the State Government could be compelled to pay duty to the Commonwealth. Holman became concerned at Carruthers's daring appeal to the farmers' vote. All Labour's rural seats might be affected. In Cootamundra, Holman's opponent was A. H. B. Conroy who had defended him in the *Daily Post* case, and who had had experience as a Federal minister. On 19 August, at Holman's instigation, McGowen hurried to Melbourne—then the seat of the Commonwealth Government—to consult Federal Labour leaders on the dangerous tariff issue. The *Sydney Morning Herald* said that the Labour Party

... now recognise that it is useless to tell the waterside workers of Sydney that protection will enlarge their spheres of usefulness while an attempt to make them believe that the more they are taxed the richer they will become, would only be met with derision. The oft-told tale of the Protectionists that heavy duties do not result in increased prices has long since been completely discredited, and the workers of New South Wales are now being taught a bitter object lesson to the contrary. The Labour party of New South Wales is convinced that many seats have already been lost, and heaven and earth is to be moved to prevent a complete and crushing defeat at the polls.



Drawing by Norman Lindsay.

HOLMAN AND MCGOWEN *v.* CARRUTHERS AND WADE

The Sydney *Bulletin's* interpretation of the 1907 State Elections.

JOSEPH CARRUTHERS: By my halidom, your crest belketh mine.

JAMES MCGOWEN: Yea, and your shield hath the same device. Why should we fight?

JOSEPH CARRUTHERS: In truth, I know not, but yon spectators expect a contest. Let us break a lance.

On 20 August, with characteristic opportunism, Carruthers made a still more daring move. He convened a special Executive Council meeting, and obtained a mandate from the Governor and the Cabinet authorizing him to take possession in the King's name of the Government's wire netting, some of which had already arrived at the Sydney wharf. On the afternoon of 21 August, the head of the State police force, assisted by sixty officers, removed the wire netting from the steamer *Kent* and deposited it at the State Government's stores. Some forty Federal officers of customs succeeded in retaining a small portion of the netting. Carruthers then despatched a telegram to Lyne, who was Commonwealth Minister for Customs, arguing that the Commonwealth customs power did not empower it to interfere with the property of the New South Wales Government:

The Federal Government does not seem to take any more notice of State rights than if it were a dog it was running over with the political or Federal motor car. I am determined, however, that the matter shall be brought to an issue, and brought to an issue speedily. We have been robbed of our rights in respect of the Federal capital and we are now going to be taxed up to the hilt. We are going to have the Constitution torn to shreds by Sir William Lyne and those supporting him, who are apparently prepared to defy the people of Australia, while at the same time we have the pretty spectacle of seeing these men increase their own "screws" at a time when they are attempting to load heavy taxation upon every institution and every individual in Australia.

Carruthers then bedecked himself for the role of hero in the melodrama. He said:

Finally, if I am going to be arrested, or if anything of that sort occurs, I shall be prepared to put up a good fight on behalf of the State, and I think I shall have the people of the State behind me.

The *Sydney Morning Herald* immediately repudiated the State's recourse to force:

Much as we sympathise with our producers who are fighting the rabbit, and little as we sympathise with Sir William Lyne in his raid upon the community, we are profoundly convinced that the Commonwealth must be supported in the present instance. Otherwise we must face an issue in which force will bear fruit as civil war, and we are certain that nothing has happened yet to warrant any such extreme.

It was hard for Carruthers to keep the temperature at the boiling point. One Federal member suggested to Lyne that the Commonwealth should require Carruthers to be submitted for medical examination. Holman explained that the seizure of the wire netting was "merely an electioneering dodge on the part of a man who was fighting for his political existence"

And he added:

What would Mr Carruthers have said if the coal lumpers, when on strike recently, had broken into the Free Labour Bureau, and in defiance of law and order stolen everything, on the ground that the free labourers were taking the bread and butter from the trade unionists. Of course he would have had them all arrested, and yet we have the Premier himself setting law and order at defiance.

To his "State Rights" grievances, Carruthers quickly added another. Despite the frequent junketings at which Federal members were supposed to inspect proposed sites for the Federal capital, Melbourne was still in actual possession of the seat of government; and was grimly holding on.

McGowen and Holman took occasion to remind the electors that it was they who had pointed out the dangers of the Federal fiscal system. McGowen said that the Sydney Press had said nothing when Reid joined the protectionist McLean in a Federal ministry, two-thirds of whom were protectionists.

On the eve of the election, Carruthers resorted to his last cry. He suggested that New South Wales should secede from the Commonwealth. He had certainly made many people forget about the land scandals. Every trick had been played.

At Cootamundra, Holman was working small margins. The wire netting cry was of considerable assistance to his opponent. There was also some danger that the local option vote would attract the women voters to Conroy. On this point, Holman never compromised. He attacked the local option scheme so boldly that he probably won support. But his defeat was confidently expected by the Carruthers party.

Holman stressed the injurious effect which maladministration in the Lands Department had had upon closer settlement. He advocated a State national bank and a graduated land tax. As Carruthers made one bold move after another, it became evident that Conroy would go far closer to victory than Holman's opponents of 1904 and 1906. In the end, Holman was only saved by the solid Labour vote at Junee and Temora. At Cootamundra he led by only 37, but at Junee his lead was 198 and at Temora it was 173. These centres gave him his full majority, for the final figures were:

Holman	.....	3005
Conroy	.....	2730
		<hr/>
Majority	.....	275
		<hr/>

In all, the Labour Party returned 32 members in a House of 90. The remnants of the old "democratic" Lyne-See group still numbered 8. As no

less than 7 Independents were returned, Carruthers's direct following was reduced to 43. This involved a possible minority of 4 in a full division. The Labour Party gained 7 seats and the aggregate Labour vote increased to 170,000. Ashton had decided that he would follow Carruthers no further. Wearying of his long struggle against exaggeration and slander, and unable to obtain a ministry upon which he could fully rely, Carruthers decided to resign. Late in September he did so, and his Attorney-General, C. G. Wade, became Premier.

Wade had realized that, in order to govern with some show of stability, he must effect a coalition of all the non-Labour elements. He included Waddell and W. H. Wood in his ministry. Carruthers departed on a trip abroad, and, upon his return, took his seat in the Legislative Council.

CHAPTER XXV

ORGANIZING FOR VICTORY

ENCOURAGED and even a little surprised at the party's increase of strength at the 1907 election, Holman set himself to tour all the country electorates, not casually, but according to a plan whereby all would be thoroughly organized before the general elections of 1910. He was convinced that, during the five or six weeks which immediately precede an election, only a comparatively small percentage of the voters would be converted to Labour. That percentage, though small, was often of great importance. But the task of convincing the people not only that Labour might perhaps be entrusted with office for one term, but that its tenets should be accepted as a political creed, seemed to him to be of far greater importance. An isolated and accidental success at one general election would be unsatisfactory. He wanted the majority of the people to be convinced that the future administration of the State should be committed to Labour's political organization. Accordingly, week after week, throughout the three years between 1907 and 1910, he devoted himself to what often seemed to be the thankless, and what was always the strenuous and nerve-racking, task of propaganda and preparation.

So we discover him sending back reports from the northern portion of the State, where the Labour Party had exhibited little electoral strength. Over and over again Holman made use of his beloved bicycle. From one country centre he wrote thus:

I got here yesterday after a most exhausting ride of 52½ miles. The ride itself was not too bad. But I got a puncture after 6 miles, and thence to the 23 mile point I had to get off and adjust my mending every mile or so. It was a great rip of about 1½ inches. I had to sacrifice my necktie to get it made secure externally. This retarded me enormously, as well as making the actual going much heavier.

On another occasion he rushed to a country centre for a by-election:

Things are in a shocking state of unpreparedness. Nielsen is absolutely worthless as an electioneering supervisor. The candidate is the rawest of raw novices, and Niel has told him nothing of how to go about things. He seems to have been poking aimlessly about the electorate, holding meetings, quite spontaneously wherever the fit seized him. . . . So here is the position. He had four meetings arranged, very little advertised, and nothing beyond. I have insisted on his sketching out his movements up to the end, and advertising

them all round; getting out handbills and distributing them, and on communicating with friends at every centre asking them to go through the rolls and canvass. It is simply awful to see a good chance fooled away.

Holman suffered much from severe colds and catarrh, which were aggravated by the discomforts of continuous travelling in unfavourable weather. Thus he wrote:

I am not well—the old pain in the back has returned rather badly. I think I must go and see someone on my return, and I must reorganise my habits of life. More milk and more sleep and plenty of barley and parsley water and no drink for six months, may set me up.

Even Cootamundra never became a safe seat. Invariably a strong candidate was nominated against Holman, partly with the object of tying him down to his own electorate, a device which never succeeded. In 1910, for instance, Colonel Ryrie (later Federal Minister and Australian High Commissioner in London) was put forward in Cootamundra to detach the farmers' votes. And Holman had to make a hurried tour of his electorate. One of his reports was satisfactory:

Things here are O.K. I feel sure Temora, Junee and Coota will all give majorities. The small centres will be divided as usual. But—Old Junee, Junee Reefs, Illabo and Nangus and Wantabadgery all promise well. Sebastopol, Mimosa, Quandary, Murrumbidgee, all promise a beating, though really not so bad as last time. Of the other important centres, Bethungra and Stockinbingal will be about equal, and Jugiong and Coolac favourable. Narraburra and Springdale will still go backwards. This is almost the lot. Ryrie has no reserve centre from which to draw a store of votes to balance my majority in the large towns.

As the reach of the Arbitration Court awards was extended to the small enterprises of the country towns, Labour lost supporters here and there—men who believed that every one (except themselves) should be compelled to pay a reasonable wage. Holman wrote of one such deserter: “—has absolutely turned against me, and came out on to Wade's platform—even to the extent of No-Licence! There's frailty! The reason is that his mill-hands got an award of the Arbitration Court against him.”

In April 1910 Holman threw himself energetically into the Federal Labour campaign. In one week he travelled 1200 miles, including 150 by bicycle and 120 by buggy, visited 17 important centres and delivered speeches at 11 of them.

In 1908 Holman was one of the New South Wales delegates to the Interstate Labour Conference at Brisbane. There the delegates debated Labour's future policy on the great issue of the demarcation of Federal and State

legislative functions. The question was of importance because of the possibility of Labour's success in State and Federal spheres alike. Holman regarded the matter as vital. His opinion of the Federal Labour Party was not one of unqualified approval; he considered that its prestige had been enhanced by many accidental factors. He said:

It has had the luck never to be in Opposition since the Commonwealth started, but has throughout its career sat behind a succession of complaisant governments, from whom a little judicious pressure could generally attain satisfactory concessions. It has been in office itself—the supreme triumph of a party—and both held office and left it in a manner which added to its reputation. To workers in the Labour cause who bore in mind the slow and almost imperceptible advances of State parties in strength, the rise of the Watson ministry after four years of the party's life seemed little less than a portent—an indication of almost magical ability and success on the part of Labour within the Federal arena.¹

On the other hand, the growth of the parliamentary Labour Party in the States of Victoria and Tasmania had been so slow as to be almost imperceptible. In Queensland, where Labour had at first prospered rapidly, Kidston had deserted it to become the leader of a Liberal-Radical group, which ultimately coalesced with the Conservative party led by Philp and left Labour in direct Opposition until 1915. In such States, the natural disappointment of the politicians and trade union leaders created a desire to ease up on political organization on a State basis and to select the central instrument of Australia's dual Government as the more appropriate for achieving Labour's objective. Holman thus explained the theory to which he was personally opposed:

The powerful Labour party there will see that the workers are protected throughout Australia. The Upper House there will not be hostile, and—most important of all—conditions will be uniform throughout the continent, so that a State which imposes fair conditions on its employers will not see its trade carried away to a neighbouring State, where sweating is unrestricted and child labour freely employed. Instead of awaiting the slow growth of the movement in Tasmania or Victoria, it was only necessary to make this single stroke and the miracle would be accomplished. The boon from good Labour laws could be imposed from above, in spite of the indifference or the hostility of the majority of the people in these States, and Australia's south eastern corner be democratised despite itself.

Considerations of such a character played an important part at the Brisbane Conference of 1908. Holman calculated that, by 1910, Labour would attain office in New South Wales; but that the Federal party could not obtain office until 1913 at the earliest. He strongly opposed the proposal that wide powers should be transferred by the States to the Commonwealth.

He said the chance had to be considered, now that the tariff was disposed of, that a united reactionary ministry headed by such leaders as Cook, Irvine and Forrest, might be formed in the Commonwealth. Yet, as it turned out, it was the very formation of such a Federal "reactionary ministry" in the shape of the Deakin-Cook fusion of 1909 which greatly accelerated Labour's attainment of power in the Commonwealth arena, and completely upset the anticipations, not only of Holman, but of many other delegates of the 1908 Brisbane Conference.

There was another aspect of the problem which assumed importance at the Brisbane Conference. Holman and other delegates were intensely critical of the seemingly hostile attitude of the Federal High Court towards Federal legislation which Labour had supported. Holman argued that because in Australia, as in the United States, the Federal judges passed judgment on the constitutional validity of legislation, their Liberal or reactionary attitude tended to become reflected in all decisions on laws of liberal or radical tendency. For instance, the High Court had recently considered a Federal Excise Act by which special duties made payable by Australian manufacturers were to be lifted wherever the manufacturer obtained a declaration of an industrial arbitration authority that the wages paid by him were fair and reasonable. This legislation was pronounced unconstitutional on the ground that the regulation of wages was not included in the list of Commonwealth legislative powers, and that, although in form the Act only imposed a tax and granted a conditional exemption from the tax, the substance of it was to regulate wages, and that was an exclusive function of the State Parliament. In this way, the first attempt of the Federal Parliament to inaugurate the doctrine of "new protection" (by which Australian industries were to be given protection only if they adhered to recognized Labour standards) had been thwarted.

Holman said:

There is the liberal interpretation and the strict interpretation. Clearly in the present case, either interpretation might have been adopted by the whole of the Court, and unless one section of the Court has made an egregious blunder it is impossible to say that the finding of the Court is the only finding possible from a constitutional point of view, because we have the authority of two most eminent lawyers, Mr Justice Higgins and Mr Justice Isaacs, against the judgment of the majority of the Court. That being so, the fact remains, staring us in the face, that the Act was either law or not law according as the majority of the judges were prepared to take the liberal or the strict view of the Constitution, and that in turn means that the validity of an Act of Parliament is dependent upon the temperament, the idiosyncrasies and the intellectual standpoint of the majority of the Court.²

Holman's views prevailed at the Brisbane Interstate Conference. It reached a unanimous decision that the Australian Labour movement should advocate only such alterations of the Federal Constitution as would: (i) permit the Commonwealth to make effectual the doctrine of "new protection"; (ii) enable it to provide for the nationalization of monopolies; and (iii) place beyond doubt the effectiveness of the powers of the Federal Arbitration Court. The Federal Constitution limited the powers of the court to the settlement of industrial disputes extending beyond the limits of one State; and the enormous expense to the trade unions involved in obtaining an award from the Federal arbitrator had often been thrown away by subsequent High Court rulings that, as no "two State" dispute had been proved, the Arbitration Court had no jurisdiction to promulgate its award which was, therefore, so much waste paper. Commenting upon the conference decisions, Holman said: "Such changes can therefore be fought for with undivided hearts, by the whole movement, both State and Federal, and all the Labour parties within the Commonwealth can be trusted to rally round the Conference's decision."

The Federal Conference also decided that the Federal party should not enter into "alliances" with non-Labour parties. Holman's experiences with Reid, Lyne and See had convinced him that, in New South Wales, Labour must either be the direct Opposition or the Government itself; but he was very doubtful whether it was wise to lay down in advance any absolute rule. However, he agreed that "support in return for concessions" had sometimes been attended with unfortunate consequences.

But Holman foresaw that the situation might be very different if Labour was placed in the position, not of giving "support for concessions", but of making "concessions for support".

At the conclusion of the Brisbane Conference, the praises of Holman were sung by all the delegates. When the decision as to constitutional reform was taken, Holman received from his parliamentary colleagues in the State Labour Party a wire containing the following words only: "Well done, thou good and faithful servant."

One newspaper comment was as follows:

The man who stood out most of all in the Conference was the deputy leader of the New South Wales Opposition, Mr Holman. It was admitted by every delegate that it was to Mr Holman the success the Conference achieved was due. Mr Holman admits himself he is not a tactician like Mr Watson, but Mr Watson will admit that there was no intellect among the delegates to compare with Mr Holman's.³

Andrew Fisher, who had succeeded J. C. Watson as the leader of Federal Labour, "reiterated what had been said by Mr Holman about the fine spirit of compromise, and said that evidence of this was supplied by the fact that

the final conclusion on the big questions, upon which there had been naturally the most differences, were nearly all come to with unanimity or practical unanimity".

Unfortunately, by the year 1910, when Fisher was Prime Minister, the "spirit of compromise" which he had praised so much at Brisbane in 1908 had evaporated; and Holman and the Labour Government of New South Wales were greatly embarrassed by the decision of the Fisher-Hughes Federal Government to ask for grants of Federal power which greatly exceeded the authority conferred by the Brisbane Labour Conference of 1908.

CHAPTER XXVI

INDUSTRIAL TROUBLES

GREATLY heartened by his success at the Brisbane Conference, and looking forward hopefully to the next State election, Holman became the ever-ready critic of those who declaimed in favour of "national" or "big Australian" policies of vague and unspecified significance. As the "ten years certain" of the Braddon clause gradually approached their completion, he also advocated a settlement of the question of the financial relationship between Commonwealth and States upon the basis of a reasonable but permanent subsidy to all the States.

Holman insisted that the functions of the States were just as truly "national" as those of the Commonwealth:

The education of the Australian nation is as national a problem as the arming of the Australian nation. The building of railways which are to carry our wheat is as national a question as the building of railways which are to carry our soldiers. The formation of harbours is as national a work as the fortifying of harbours. The settlement of New South Wales is at least as national a problem as the settlement of the country around the Gulf of Carpentaria. So far as mere dimensions are concerned, they are infinitely bigger and more vital problems than those which occupied the attention of our Federal colleagues during the debate. So far as their effect upon the prosperity and healthful progress of the Australian community goes, they are the vital problems—no less vital—in the eyes of some of us even more vital—than the problem of defence.¹

Holman became increasingly anxious lest Federal Labour's adoption of compulsory military training for home defence should lead the movement in the direction of the jingoism which he loathed:

As for defence he was, personally, as much in favour of any reasonable outlay, realising that one must be prepared for eventualities beyond Australia's control, and that those who sought for peace must, unhappily, be prepared for war. He did say, however, that the mission of the Labour Party in Australia and throughout the world was to see that the great problems of social reform were not subordinated to defence. The idea that a scheme of defence was the main purpose of the Labour Party was one that he stood there to repudiate, and the idea that the movement to which he belonged was to be robbed of the opportunity of working out social reforms because of a mad spirit of jingoistic nationalism—of military extravagance—must, to his mind, be repudiated by every Labour man.²

The chance of answering so provocative an argument was too good for W. M. Hughes to miss. So he stated the case for the Commonwealth in his famous weekly articles called "The Case for Labour", which appeared in the Sydney *Daily Telegraph*. Hughes had always identified himself with the movement for compulsory service for home defence; and he was also an ardent and eloquent nationalist, always preaching the gospel of "Australia First". But Holman was not convinced:

Mr Hughes makes some ecstatic references to the truly democratic and representative constitution of the Federal Parliament. These both time and space forbid my dealing with here. I can only refer him to the speeches which he and I delivered in concert against that Constitution during the Anti-Bill campaigns of '98 and '99. The Constitution which we derided then as unrepresentative and undemocratic remains unchanged today. It has not altered. I have not altered. Mr Hughes apparently has. Why?

In his articles, Hughes had asked several rhetorical questions, but Holman refused to treat them with fitting solemnity. He said:

He makes one further attempt. Is the maintenance of a White Australia, he asks, a trifling matter? Is it nothing that we are keeping the fountains of our race pure? This is, indeed, a striking illustration of the strange romanticism of the nationalist spirit breaking forth in (to me) quite unexpected quarters. Here is a commonplace police law—the Immigration Act—one of the very few police measures which the Commonwealth Parliament has power to make. It is a mere restriction. It calls for no constructive principle of any kind. It is on about the same level of legislative importance as the Vagrancy Act. Suppose I asked "Is the recognition of the sanctity of human life a small thing? Is it nothing that we should be restricting the homicidal instincts of our race?" What must be his answer? That whatever can be said in recognition of the importance of the power he instances can be said a hundred times over in recognition of the criminal law and each of the general police powers of the State.

Above all, Holman strongly condemned Hughes's attempts to argue that "Australian nationalism" was part and parcel of Labour's objective:

The Case for Labour proves—most unexpectedly—to be the case for nationalism. The trenchant sword which has for many months transfixed each week the prominent enemies of our cause is suddenly turned against me—who in my innocence imagined that, whatever else I was, I was at least a Labour man through and through—because my Labour principles haven't got the true "nationalist" brand. The genuine Labourite, it appears, must not only accept the Labour programme, as I do, but must accept this indescribable something called nationalism, as well, on pain of exclusion from our magic circle, and of



Will Dyson



WILL DYSON SEES HOLMAN AS WHIMSICAL AND DIFFIDENT

From the Sydney "Bulletin".

Mr Hughes's weekly bastinado. This is a bewildering state of things. If Labour men have all got to be "national" how is it that up to now nothing has been said about it? If this is an esoteric doctrine not communicated to the vulgar, why does Mr Hughes disclose it now? If nationalism is one of our tenets where was it adopted? When was it endorsed?³

When Hughes returned to the attack and accepted Holman's invitation by defining "nationalism" as "the name given to the opinions, sentiments and aspirations of a people as a whole as opposed to any mere section or part of them", Holman at once plagued his antagonist by referring to the many instances in which functions had been conferred on the Commonwealth by the Constitution merely for the purpose of convenience rather than for effecting great political, social or industrial reforms.

Holman's argument seemed to be assisted when, in the middle of the controversy, the High Court handed down a decision that, although the Commonwealth Parliament had plenary power over "trade marks", it could not lawfully provide for a system of attaching workers' trade marks to goods in order to show that they had been made under recognized union conditions. Holman was countered by the obvious enough argument that the remedy was to make all Labour legislation the exclusive prerogative of the Commonwealth. To this argument he retorted by emphasizing that if such legislation was made uniform throughout Australia, it would probably be found to lower workers' standards in the "high wage" States, although it might possibly raise those in the "low wage" States. He said:

Those who wanted uniformity, only wanted it when they believed it would raise wages; but they must realise that this very uniformity would tend to lower wages, because the minimum must be the minimum over a much larger area. There was no subject in the world in which the need for the trial of new ideas was more marked than in industrial legislation; and the opportunity for these experiments would be much better in the States than under the Commonwealth jurisdiction.

These controversies were conducted on a high level and afforded some relaxation to Holman from the daily business of opposing himself to Wade. The latter had commenced his premiership in favourable conditions. But his handling of the Assembly was greatly inferior to that of Carruthers. In 1908 McGowen, as Opposition Leader, moved a vote of censure; but Wade, instead of according to the motion the usual courtesy of priority in debate, curtly announced that the motion would have to take its place in the list of opposed motions. At the moment, the order of the day contained some sixty or seventy contested motions from private members. Determined upon spectacular protest, the Labour Opposition walked out of the House in a

body. Within several hours the manoeuvre turned out successfully, for Wade said that he had decided to give precedence to McGowen's motion. Holman vigorously denounced Wade's "dictatorship":

I take a particularly strong view in this matter personally. I speak for myself and not for the party. It particularly affects me, as I attempted to say at the Protestant Hall last night, because I have in an emphatic way taken upon myself the unpopular task of urging the organised workers of the State to stick to the law and to parliamentary methods. I have done this because I believe that I could always show them that parliamentary methods were the best. I have entered upon a kind of campaign against some of the extremists in our midst with this purpose in view, and with this argument in my hand. But if the Premier is to come in and prove to the workers that parliamentary methods are futile, if all the doors open in Parliament to the ventilation of grievances are to be closed one after the other, the Premier and no one else is responsible for any lawlessness or violence which may result.⁴

Both 1908 and 1909 were years in which Holman took a strong stand against strikes. There was great industrial trouble at Broken Hill and Newcastle. Then at Sydney there was a prolonged rockchoppers' strike. Finally there was a complete hold-up of the Government tramway system, in which the employees had long protested against a humiliating system of espionage. The tramway strike broke down badly, and although Holman did his utmost to obtain a settlement "without victimization", some of the strike leaders failed to obtain re-employment.

About this time, the organization known as the Industrial Workers of the World was commencing to attract a small but determined following amongst unionists who had come to regard "gradualism" as too gradual and "meliorism" as indicative rather of a worsening of conditions. William D. ("Big Bill") Haywood was the American I.W.W. leader most quoted by the I.W.W. in Australia, which denounced many of the Australian trade unions just as Haywood denounced the American Federation of Labour. In Australia the I.W.W. was a militant body, advocating direct strike action and organization of trade unions upon an industrial, not a craft, basis. A number of I.W.W. "locals" were formed, and they acquired some strength at the more concentrated industrial centres. Later, in advocacy rather than in practice, sabotage became part of the creed of the I.W.W. in Australia, the teachings of the Chicago I.W.W. gradually obtaining an ascendancy over those of the so-called "school" of Detroit.

Apart from this American inspired organization, the various socialist groups throughout Australia also became very critical of Labour's acceptance of the system of arbitration. They condemned it on the ground that it slowed down the rate of advance in working-class standards. But the I.W.W. propa-

gandists assailed both the parliamentary and the arbitrationists. Thus, to the tune of "Yankee Doodle", their militants sang:

I know the Arbitration Act
 As a sailor knows his "riggins"
 So if you want a *small advance*
 I'll talk to Justice 'Iggins
 Bump me into Parliament
 Bump me any way
 Bump me into Parliament
 On next election day

But this innocent enough merriment was sometimes accompanied by advocacy of violent measures against non-strikers.

Tom Mann, England's famous working-class leader, was then in Australia. With Harry Holland he disclaimed the practices of sabotage or violence, but both strongly advocated a wholesale reorganization of Australian trade-unionism upon the basis of the industry unit. On the latter point, they were in agreement with the I.W.W., and during some of the great strikes of later years, the strains of "John Brown's Body" were to be trumpeted forth by all unionists from extreme right to extreme left:

When the Unions' inspiration through the workers' blood shall run
 There can be no power greater anywhere beneath the sun
 Yet, what force on earth is weaker than the feeble strength of one
 But the Union makes us strong
 Solidarity forever!
 Solidarity forever!
 Solidarity forever!
 For the Union makes us strong!

In an important pamphlet, *The Way to Win*, Tom Mann expressed his indignation at the delays and technicalities of the Federal Arbitration Court. He was organizing at Broken Hill, N.S.W., and Port Pirie, S.A. After fighting on "constitutional" lines, the unions obtained a satisfactory award from Mr Justice Higgins. But the Full High Court unanimously upset a vital part of the award upon the ground that such part was "outside the ambit of" the original dispute, or, in other words, the employees in their log of demands had not formally asked for the particular concession granted. "This experience," said Mann, "of the admittedly most perfect Arbitration Court in existence, damped any enthusiasm I might have felt for such an institution!" In his pamphlet, Tom Mann held that political Labour was little interested in perfecting trade union organization, and that, in the end, mere parliamentary or Arbitration Court activities would end in disaster to the unions.

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But Holman used the High Court decision setting aside the Broken Hill award for an entirely different purpose. According to him, it showed that, as the Commonwealth court was continually frustrated by the High Court's rulings, workers should look to the States for their industrial betterment.

The militants revenged themselves for Holman's attempts to settle the Sydney tramway strike by publishing a special pamphlet. During the dispute, there had been a remarkable display of solidarity by the employees, not altogether surprising in view of the majority of 1450 to 32 which had favoured the stoppage. But, according to the author of the pamphlet, M. P. Considine (later Federal member for the Barrier), Holman's intervention with Premier Wade and Tom Johnson (the Government Commissioner for Railways and Tramways) had caused the union representatives to back down when there was a good chance of victory; and the result was a fiasco.

Considine entered upon an unmeasured condemnation of Holman's intervention: "Let the workers of New South Wales say whether the Labour Party, who owe their very existence to the '90 strike, were sent there to break strikes and help Wade ram the Industrial Disputes Bill down their throats."⁵

A public meeting was called to protest against Wade's refusal to give priority to one of the Labour Party's official censure motions. On this occasion, Holman was hooted and jeered at by the militants, including many associated with the tramway and other Sydney strikes. He was frequently heckled.

I will ask my friends ("You haven't any") to bear with me while I put my own position as an individual apart from the party. I have tried to get our fellow-workers to respect the law—(hoots)—to trust their case to Parliament. I believe that through the law and Parliament is the way. If the power of Parliament is to be curtailed, and a Premier, drunken with the arrogance of office, and four years' continuous success, thinks he can trample on the workers, he is by lawless acts driving them into lawless violence. If any man is doing his best to create lawlessness by tactless brutality, it is the Premier. A man who arouses the workers to irritation and sends their leaders to gaol with every indignity, proves his unfitness to be leader of the Government.⁶

Holman bitterly denounced the I.W.W., whose actions he regarded as greatly prejudicing Labour's chances of electoral success:

No unbiassed observer can doubt that the method of the Labour Party has been a good one, and that it has been justified by the results achieved. Those who consider the equipment when we started 15 years ago—the men, money, material, and reputation—and the position we have arrived at today, must realise that we have been engaged in fruitful effort. But the I.W.W., during the same period has achieved nothing but the reputation of "fishers in troubled waters". They are hopelessly ignorant of the facts of the Labour movement and Australian conditions, and presuming upon an alleged acquaint-

tanceship with a few Continental books, they take upon themselves the immense moral responsibility of causing loss and suffering to thousands of their fellow-workers.⁷

But Wade's boorishness in Parliament soon reunited apparently discordant elements in the Labour movement. Nor did his legislation help him to recover ground. Thus his Police Offences Bill contained a number of excellent provisions, but its provision for the imprisonment of prostitutes was condemned. Holman said that:

It would open the door to blackmail and terrorism. These women, whom it would be the duty of every law-abiding citizen to turn out of doors, would if this law operated—and what was the use of passing it if it was not intended to operate?—go into the haunts of crime where they would be subjected to terrorism and blackmail of every description. The bill would subject them to a crude, cruel, mischievous espionage, and was founded upon an essentially wrong principle which would lead to no good results, but was calculated to increase rather than diminish the evil it was sought to remedy.⁸

Similarly, Wade lost ground over his Industrial Disputes Act of 1908. In its original form, it was regarded, and rightly so, as a blow at organized unionism. The Act of 1901 needed amendment, but not in the direction of discouraging the trade union as the selected unit for the system of conciliation and arbitration. In the Court there was much congestion; even during the first year of its existence the court disposed of only eleven out of eighty-one cases listed. This congestion became progressively worse. At the beginning, the practice of the court was to make awards although no actual strike or stoppage had occurred. But the superior courts insisted that the existence of an actual industrial dispute was an essential of jurisdiction, and, as many unions had failed to give sufficient proof of this condition, their awards were vitiated. Again, the High Court held that it was not lawful for the Industrial Court of New South Wales to apply a particular code of industrial conditions throughout an industry even although the code had been agreed to by the registered organizations both of employers and employees. Judge Heydon, the President of the Industrial Court, felt himself forced to complain that the New South Wales Act had been almost destroyed by High Court decisions.

In spite of these handicaps and disappointments, many of the trade unions greatly increased their membership, particularly in the poorly organized and sweated industries. Consequently the Labour Party was insistent upon retaining the principle that the workers' unit of industrial arbitration should be the trade union. But the amending Bill at first introduced by Wade was designed to discourage this growth of unionism which he correctly associated with Labour's increasing political power. He proposed to establish trade boards, the function of which would be to fix minimum wage standards in

the trade or industry. It was anticipated that on each board the chairman would be a barrister, and its other two members would be representatives of employers and employees; this would have meant the fixation of minimum standards without any reference to the trade unions concerned. But Holman and Beeby entirely revolutionized the Bill by proposing amendments which Wade was practically compelled to accept. In this way the trade "boards" were converted into small "courts of first instance for the trial of industrial issues"; and when it was decided that each board had to hear the parties and that the trade or industrial union was to become the exclusive mouthpiece of the employees in the trade, the result was to retain the trade union as the effective unit in the system.

CHAPTER XXVII

WADE'S WEAKENING HOLD

HOLMAN succeeded in obtaining many amendments to the Industrial Disputes Bill, but the Government adhered to the clause penalizing strikes. Holman's skilful opposition helped to retain for the Labour Party the solid support of the trade-unionists. Of course, trade union support could not of itself win elections for Labour. But Wade's anti-liquor and anti-betting legislation also consolidated behind Labour the support of other interests which had been attacked. Next, Wade's party was almost a hundred per cent non-Catholic in personnel, while the radical voters of Irish descent, retaining their traditional interest in politics, gradually accepted the Labour Party's guidance. According to Childe:

The following groups and classes were gradually attracted to the side of Labour—by sentimental bonds only, democrats and Australian nationalists; by economic interests, the small farmers and settlers, the prospectors and small mining proprietors, and the small shopkeepers; by ties of self-interest, the Roman Catholic Church and perhaps certain business interests—notably the Liquor Trade.¹

From the outset of his political career, Holman, an English non-Catholic, had always been sympathetic to the English Liberal Party's attitude on the Irish question. On more than one occasion he delivered the "oration" at the St Patrick's Day Celebrations in Sydney. In 1909 he spoke on "The Case for Home Rule as it strikes an Anglo-Saxon and a member of the Dominant Race". His carefully prepared, but none the less brilliant, advocacy aroused enthusiasm.

Holman, increasingly confident about Labour's election prospects, did not hesitate to join the fight against the curious "Dreadnought" proposal of 1909, by which a number of wealthy citizens desired to contribute money to build a Dreadnought for the purpose, not of being retained in Australia, but of being sent to join the Home fleet. The scheme perished and Holman presided at its obsequies:

He frankly realised that in the circumstances Great Britain should be prepared. But his argument was that Great Britain was already prepared. If it depended on Hordern or Dangar to keep the British Navy afloat they were in a bad way indeed. But there is no reason why the steady and orderly development of Australia should be broken in upon by the shrieking brotherhood

who clamour for the building of Dreadnoughts with the names of Hordern and Dangar painted on the stern! These patriots have their eyes on the next Birthday Honours, and have the hope that the letters D-a-n-g-a-r, making up the name of the man who got the Dreadnought that saved the British Empire, should not go down unhonoured and unsung, but should be saved from plebeianism and get into aristocracy, if only on the bottom rung of the ladder.²

Throughout 1909 and 1910 Holman often spoke with the authority of an heir-apparent to high office, describing what Labour's first programme would be. He said that the food supply of the metropolis was characterized by inefficiency, lack of organization, and enormous waste. In turn he analysed the trade methods of supplying fruit, meat, milk and fish to Sydney.

Holman deliberately invited support from the younger voters:

Amongst the young men nine-tenths of those who take any interest in politics are on our side. Just as today there are no intellectual enemies of socialism in the world, except those who date back at least 20 years, so there are no capable young opponents of Labour. When our antagonists are brainy men they are old enough to have got their brains turned towards their present ideas a quarter of a century ago. When they are young they are stupid. Such is the general rule, with, of course, a few noteworthy exceptions.³

Towards the end of 1909 there was a strong agitation to procure the release of the Broken Hill union leaders, some of whom had been heavily sentenced in connexion with disturbances during the disputes of 1908 and 1909. Even the *Daily Telegraph* demanded the release of Harry Holland, and to this the Government acceded. But the unions complained that Holland had gone to the Barrier without any specific invitation to deliver public addresses, and that two officials, Stokes and May, although recommended to mercy by the jury, had not yet been released.

Holman's next attack was on broad lines of policy. He admitted that, since Carruthers's accession to office, the number of small settlers had increased from 74,000 to 83,000; but he argued that the true growth in settlement had been exaggerated by including among the general rural settlers "pocket-handkerchief settlers round the towns and metropolis". Holman said that a better test was to examine holdings of over 200 and less than 2000 acres. Of these, the number in 1904 was 21,199; whereas in 1908 the figure was only 22,912. During this period there had been a growth of eight per cent in the general population; therefore the increase in closer settlement was barely keeping pace with the increase in population. Holman pursued this important analysis. He showed that, up to Carruthers's 1895 Act when the tenure of the "homestead selection" was introduced for the first time, 43,000,000 acres of Crown lands had been alienated, of which one-half had been absorbed by large estates. Up to 1895 there was, at one end of the scale, wholesale

alienation by the Crown of land in small selections, and, at the other end, through the operation of sales, mortgages, foreclosures and "dummying", the lumping of these small selections into vast estates.³ Next, under the 1895 Act, some 8,000,000 or 9,000,000 acres of land in small areas had been brought under "homestead selection" conditions. As the "homestead selections" embodied the principle of leasehold tenure and perpetual residence, the land remained in small areas until the Act of 1908. But, as Wade was now proposing to allow the "homestead selector" to convert into freehold, or to mortgage, or to be foreclosed, all these small areas would be likely to travel on the road which ended with the bank or the Land and Mortgage Corporation.

In this way the Wade Government would break down the greatest barrier against aggregation. "Every one knows," said Holman, "that there is a sentimental feeling behind the cry for freehold, and, in fact, it is the most attractive form of tenure—but for the financier, not for the settler."⁴ As it was, the large estates had to be broken up, and simultaneously the small settler had to be kept on the land. "You cannot," said Holman, "prevent aggregation without an effective State Bank system and a progressive land tax." He favoured the exemption from tax of a living area worth (say) £5000 of unimproved value; but above that point he would tax 1d., 2d., or even 1s. in the pound until the desired object was effected.

Until the exposure of the scandals in connexion with the Lands Department, Holman had not greatly interested himself in the land legislation of the State, which contained, according to Sir William Owen, so much complexity and confusion that the judges found the greatest difficulty in its interpretation. The Royal Commissioner said:

I think that one of the most urgent needs is the simplification and consolidation of the Land Laws. Since the Act of 1884, there have been some 25 Acts passed relating to Crown lands, and there are, at least, 14 different kinds of leases. I know from my experience, at the Bar and on the Bench, how extremely difficult it is to construe these Acts and to determine the rights of the parties under them.⁵

During the administration of Wade from 1907 to 1910, Holman made an earnest attempt to become well acquainted with the land laws, and the help he received from Nielsen, later Labour's Minister for Lands, was invaluable. In 1908 Holman uttered a warning against the policy of selecting private property for resumption by the Crown and subsequent closer settlement, unless the land was of sufficiently good quality:

If we buy land and put men on it we should be able to give them a guarantee that they can permanently make a good living on it. To buy land and put men on it with the prospect that the first bad year will wipe out all their wheat or destroy all their sheep—to buy land like that is to make the dearest of all

investments. It does not matter whether you get it for £3 10s. an acre, while other lands, the rich river flats, would cost £10 or £20 an acre. It would pay the country to pay the bigger price and have hundreds of farmers on small areas⁶

Holman grew more and more convinced that the State should assist in financing the smaller settlers; otherwise the aggregation of estates would be accelerated so long as the power to mortgage was included in the tenure conditions:

What makes the form of security desirable from the Bank's standpoint is the ease with which it can foreclose and deal with the security; and if you put a restriction of any kind upon the ease with which small estates can be aggregated into large ones, you, at the same time, put an obstacle in the way of the holder of that estate borrowing money on it. I do not care what form it takes. You may say, "The obstacle shall be perpetual residence," as we said, and as hon. gentleman opposite said when sitting behind Sir Joseph Carruthers in 1895. Perpetual residence is easily a bar to the aggregation of large estates, and it is also a tremendous obstacle in the way of borrowing money.⁷

Therefore, said Holman:

Let us have a bank of our own, to which the *bona fide* settler can apply, and from which he can obtain the accommodation he requires. Then we can introduce real safeguards against the aggregation of large estates, and these safeguards will operate to the protection of the public's interests, and will not involve any sacrifice on the part of the individual settler on the land. When the Homestead Selection system was introduced a State Bank should have been established. If that had been the case we should not have heard of the agitation to abolish the system and introduce freehold in its place.

On the other hand, Holman vigorously opposed the Closer Settlement Amending Bill of 1909, in which Wade, conscious of the growing feeling in favour of unlocking large areas for closer settlement, proposed that the Minister might gazette any property, have it valued, and then, five years later, if he saw fit, resume the property. The price payable at resumption was to be the value as at the earlier date, no matter how much the value had increased in the interval. In the meantime, a neighbouring property which had not been gazetted might have been sold in the open market at a greatly enhanced value. Holman argued that, if the rise in the value of the property was to be dealt with in the interests of the community, it must be dealt with generally and not at the expense of a few individuals who might even be selected capriciously. He made something of the fact, that, on this occasion at least, he was on the side of the "right thinking" classes.

The Bill, when carried, omitted the feature which Holman condemned. It was impossible for Holman to bring all legislative matters within his

province, but as a country member he had qualified himself into something of an expert on land proposals. Summed up, his ideas were these:

1. To favour closer settlement.
2. To break up existing large estates.
3. To check the growth of further large estates.
4. To resist anything like confiscation.
5. To protect and maintain the interests of men who had already settled on the soil and to see that their legal rights were not tampered with.
6. To institute a State bank and a tax on land values which was steeply graduated and would help to "burst up" the larger estates.

CHAPTER XXVIII

COERCION

IN November 1909 an extremely serious industrial dispute arose on the northern coal fields of New South Wales. The leader of the miners was Peter Bowling. Strenuous efforts were made by W. M. Hughes, then president of the waterside workers' organizations, to prevent the dispute from causing a general hold-up on the waterfront. Wade also was greatly concerned at the prolongation of the dispute, particularly as he believed that the strike had been deliberately called at a moment when coal stocks were very low. Unfortunately for him, Wade made no attempt at conciliation, although the suggestion was pressed upon him by the *Sydney Morning Herald*. That journal said that some of the obstacles to settlement had been created "by the masters rather than by the men", and that "certainly the proprietors had a great deal to answer for if they continued to assume that they are safe behind the Statute".¹

On 30 November, after three weeks of strike, Wade threatened to enforce the penal provisions of the 1908 Industrial Disputes Act against the strikers and their leaders. There followed an important debate in the Assembly, and Holman dissociated the Labour Party from those who had helped foment the dispute. "We hail," he said, "the resort to compulsion, but we protest against it being applied wholly to one side."² Under Wade's Industrial Disputes Act, the maximum penalty for strike or lockout or instigating thereto was £1000. In case of default, however, the maximum imprisonment was only two months, and it would have been utter madness to attempt to enforce the Act against 15,000 men. "If there were convictions," said Holman, "it would not put one shovelful of coal on the skips, it would not light a fire, it would not start a closed factory." Holman contended that, "unless the men came to a conference the mines still working should be taken over by the State", and that the owners who were refusing to work their mines should also be compelled to submit to the State's running them. Instead of "picking out a few men here and there and trying them before a magistrate and adorning them with a halo of martyrdom and heroism", the Government should force the owners to confer and settle, and, in default, run the mines for the common good. Holman did not meet the further difficulty that, even if the Government took over, the men's demands might still be insisted upon and the dislocation continued. But he condemned all such strikes:

I am and always have been an opponent of strikes, and I feel that the men have taken a wrong method in order to enforce a good cause. I do not hesitate

to say that here and would not hesitate to say it anywhere else, I will say it in Newcastle or in any other place. But my sympathies in this trouble are with the men; they are the victims of miserable economic conditions. Low wages, intermittent labour and an accumulation of small but irritating grievances. . . . They have been driven into the position of being law-breakers by the superior finesse of the employers. But when moral responsibility is allotted the question will be not which side had committed the first technical breach of the law, but which side by its arrogance, its overbearing and its refusal to meet just demands, had driven and harassed the other into the foolish step of being technical law-breakers.³

Holman bitterly denounced the I.W.W. and other extremists who, he asserted, desired to embarrass the Labour Party both Commonwealth and State during the elections of 1910. However, the Labour Party again made capital out of Wade's blunders. No one had worked harder than W. M. Hughes to settle the dispute. Yet, when the House met on 16 December, Wade, when asked if it was his intention to have Hughes arrested in connexion with the strike, said: "If the hon. member will follow the papers from day to day he will be able to find out." So arrogant and unfair an attitude to Hughes was resented on all sides.

Determined to parade as the strong man, Wade at once moved the suspension of standing orders so as to pass in one day an amendment to his own Industrial Disputes Act. It should have been fairly obvious that extreme measures were hardly called for at a time when the strike seemed to be finishing; moreover, Peter Bowling and others were already facing a preliminary investigation before a magistrate to ascertain whether they should not be put on trial for conspiracy, an offence punishable as a common law misdemeanour. Inasmuch as Bowling was subsequently convicted on this charge, Wade's amendment of the Act was not only a stupid political mistake, but quite unnecessary legally.

Wade argued to the Assembly that although the 1908 Act had been in force for eighteen months, the penal clauses of that Bill aimed against strikes had been defied, for the strike had lasted for six weeks. "I say," he thundered, "that it involves a crime against society unequalled by almost anything I know in the calendar."⁴ Wade's opening was in his best Crown Prosecutor's manner. To compare the resistance of the wretchedly paid miners to the brutal acts of the criminal classes, was indefensible. He blundered on and on. Because of his majority, nothing he might say could jeopardize his Bill. Although proceedings against Bowling were taking place while he was speaking, Wade dragged in matters which had been "opened" against Bowling by prosecuting counsel. He actually read a telegram which had been tendered in evidence in the court at Newcastle. Upon objection to this, Wade's only reply was that the telegram had not been admitted in evidence, a remark

which incidentally proved his extremely close supervision of the Newcastle proceedings. Holman protested that Wade was infringing the recognized rule against comment on pending criminal proceedings; but this sound objection was overruled by the Speaker and an acquiescent party vote. Wade also disclosed that he had vainly tried to induce the Commonwealth Government to proceed against certain mine-owners under the Commonwealth Industries Preservation Act. Returning to his own Bill, he said that: "If the law is there with those penal clauses and if they proved to be ineffective there is only one course to adopt, and that is . . ."—the House waited eagerly—" . . . to make those penal provisions more stringent." The announcement was greeted with a storm of Labour hoots and jeers. The potent factor, added Wade, both in the tramway strike and the Broken Hill dispute, was the "glib tongue of the loud-voiced agitator"; the strike instigator must be subjected to a heavier penalty. He therefore proposed to make him liable to twelve months' imprisonment without the option of a fine.

Amid the ensuing uproar, Wade was heard to say that the Bill would also punish with twelve months' imprisonment those who knowingly took part in any meeting for promoting or managing any strike in an industry producing a "necessary commodity"—including coal. Further, under the Bill, a senior officer of police could forcibly enter any building where, in his belief, such strike meeting was being held. At this stage of the proceedings the Opposition was not furnished with copies of the Bill; but McGowen rose to declare that "This Bill is without parallel in the history of Great Britain or Australia and is intended to strike a death-blow at unionism." He said that Wade could not forget his old role as counsel for the coal-owners and that he had been brought into political life in order to kill the arbitration system.

Holman spoke on the second reading of the Bill. He emphasized that the Strike Conference, of which W. M. Hughes was a member, had narrowed and localized the area of dispute. The only possible object of Wade's measure was to force the Strike Conference to dissolve. He admitted his own distrust of some of the strike leaders:

I am going to say this once and for all. There are one or two men who have been conducting this dispute so far for whom I have no sympathy whatever. These men have done what they have done, not in connection with the strike alone, but in connection with Labour in New South Wales during the last 4 or 5 years. With their eyes open, they have dared to trick the unions in New South Wales into tactical mistakes one after the other. If they go to gaol they do so after fully knowing they ran the risk of going into gaol, and in the eyes of the public I wash my hands of all responsibility for what may happen to them. The organisers of the Industrial Workers of the World may sink or swim so far as I am personally concerned.

This over, Holman bitterly attacked Wade's Bill. As Bowling was already facing the charge of conspiracy, the Bill must be directed against other leaders; yet those leaders included those who were keeping Bowling in check. The most shocking feature of the Bill was that the right to trial by jury was not protected. The relevant analogy to Wade's Act was the Irish coercion legislation.

The Bill was "gagged" through all stages and the Assembly proceedings lasted from five o'clock on the afternoon of 16 December right through the night until the Speaker left the chair at 8.30 a.m. The Upper House passed the Bill without amendment. The introduction of the Bill caused a political sensation. Following Holman's suggestion, it was immediately dubbed the "Coercion Act". Bowling was proceeded against and convicted under its provisions. The unfortunate blunder by which he was forced to wear leg-irons *en route* to jail played some part in the rout of the Deakin-Cook Federal Government in April 1910, for Bowling was widely known as a man of good character. Nor had the slogans of "Coercion", "Leg-irons" and "Bowling" been forgotten in October 1910, when Wade himself faced the electors.

Holman regarded the Deakin-Cook coalition of 1909 as a last desperate device to prevent Labour from acceding to power—in short, as a "league of assassination against the Labour Party". It was "one man with no policy joining with another man with no principles". But the public indignation which the "fusion" had aroused was deeper than even Holman supposed. Therefore the Federal Labour Party's overwhelming victory on 13 April 1910 came as a surprise. In New South Wales (where Labour won 18 out of 27 seats in the Lower House) the fusion's failure was attributed in part to Wade's Coercion Act. Holman expressed the opinion that Labour's success in the other States was due to

... the real disgust of thousands of decent middle-class voters with the laxity of principle involved in the fusion of two sections professing to be diametrically hostile to each other. The plain British mind has always been opposed to that. Mr Fisher is a man of far inferior personal gifts to Mr Deakin. But his consistent straightforwardness has won him the confidence of the majority, where the spineless double-dealing of Mr Deakin has lost it for him.⁵

As a consequence of Labour's remarkable victory, Holman's hopes of victory against Wade, already high, rose higher. He told the Press what State Labour would do:

We would take over the iron industry and run it as a State enterprise. We would nationalise some, if not all, of the coal mines, and secure the industries of the State against the chance of a further period of strangulation through the manoeuvring of those engaged in the coal industry on either side; and

we would immediately nationalise such monopolies as the Harbour ferries and the gas companies of Sydney, with a view, later, to handing them over to a Greater Sydney Council which it would be one of our first and most interesting tasks to call into existence. The question of reforming our Constitution would come up. The veto power of the Upper House would have to be abolished, and the suspensory veto which the British Government proposes for the House of Lords, substituted for it.⁶

Holman forecast that the Coercion Act of Wade, which had helped so much to destroy the Deakin-Cook fusion, would not be forgotten at the State elections.

CHAPTER XXIX

WADE VERSUS HOLMAN

IN 1907, in spite of much tribulation suffered during the land scandals exposures, Carruthers saved his Liberal and Reform party mainly by brilliant opportunist tactics. In his favour was the increased and growing prosperity of the State, though the cause of this improvement was quite independent of mere political policy. Wade was denied similar advantages, for the average export value of wool declined to some extent between 1907 and 1910. There was a definite fall in 1908 although it was followed by a recovery in 1909. Further, towards the close of the Wade administration there was an increase in living costs reflected in important items of the ordinary householder's budget—especially groceries. The procedure of automatic application to the base rate of wages of quarterly increases and falls in the purchasing power of money, was then unknown.

In this way, Wade was deprived of the factual basis for repeating some of Carruthers's more startling claims, however unreasonable those claims may have been. Further, one of Wade's first enactments as Premier was the Income Tax Deductions Act, 1907, the effect of which was to increase from £200 to £1000 the exemption from State income tax. The effect of this Act was actually to aggravate the burden borne by the wage-earning classes as a result of taxation through customs and excise. As a vote-catching device, Wade's Act was of little or no use in the 1910 election, for, such as it was, Carruthers had fully exhausted the credit for it in advance of the 1907 elections. As the period during which the Braddon clause of the Constitution (Section 87), guaranteeing the return to the States of three-fourths of the Commonwealth's revenue from customs and excise, was to end in 1910, Wade's income tax amendment showed great lack of foresight. Further, it cut across the whole scheme of Reid's taxation legislation of 1895 to which Carruthers himself had been a party. Wade also repealed the stamp duty, not only upon receipts, but also upon bills of exchange and promissory notes, although there was no public objection to such taxation. The revenue suffered and the political gain was negligible.

In his Assembly speeches, Wade conveyed the impression that McGowen, still a Church of England Sunday-school superintendent, was misguided in politics but otherwise bearable; but that Holman was utterly untrustworthy. At the Bar, Wade was often briefed by the coal-owners, but Holman's work was almost entirely confined to briefs from unions which always underpaid him, and sometimes did not pay him at all. While Holman was gentle to all

in distress, Wade appeared as unemotional as—well—a Crown Prosecutor who had run his daily victim to earth. Whereas Holman had to wait for five or six years before he could win a seat, Wade, with greatly inferior qualities, had a safe seat handed to him, accompanied by many trimmings including the adulation of a great metropolitan newspaper. Whereas Wade became a minister of the Crown with a speed that was almost indecent, Holman had to fight for half a generation before he forced and hacked his way to office. It was always claimed on Wade's behalf that he was a great sportsman. Sportsmanship has many definitions and many applications. Wade was praised for refraining from appointing himself as Chief Justice, although his learning and disposition hardly fitted him even for a puisne judgeship. "We offered it to him," was the canticle, "we urged him to take it again and again. The legal profession was favourable, so was the Press." No doubt most of the Press would have praised the appointment had it been made, because Wade was a conservative, a qualification which can transform a plodding blockhead into a great jurist. But one Sydney daily was hostile, and so was the Bar. Wade could not save himself from the misguided adulation of his friends and claquers. During the 1910 election campaign it was asserted by many Liberals that many years earlier, at the risk of his life, Wade had gone down the Mount Kembla Mine in order to rescue some miners. The inference to be drawn was that workers are always ungrateful to their superiors. At one Liberal meeting, Carruthers actually said that:

Mr Wade had been vilified during the elections in a most scandalous manner. *He had even been called a coward.* (Loud laughter.) But he (Carruthers) would ask them if his action in going into the mine, at the time of the south coast colliery disaster, was the act of a coward! (Loud and sustained applause.) A monument had been erected in memory of Major McCabe, who lost his life in attempting to save others, and they came near to having to erect a monument to Mr Wade for the same thing.¹

Although Wade was present at the meeting where Carruthers made this assertion, and although the fact was that it was another Wade and not the Premier who had actually entered the mine, Wade made no disavowal. The *Bulletin* suggested that Carruthers was deliberately "leg pulling". If so, Wade might perhaps be excused for ignoring so trifling a matter. Unfortunately in debate he often seemed to snatch at unimportant trifles where they appeared to help him. Thus Dorsey of the *Chicago Tribune* described him as "a type we are quite familiar with in our country—a pettifogging politician of the demagogue class"—in contrast with Holman who "had the face and the eye of a scholar".

Perhaps the best illustration of Holman's superiority to Wade was the former's handling of those very delicate political questions involving religious

and sectarian differences. Reid had steadfastly refused to imitate Parkes's frequent excursions into sectarianism. Carruthers was less scrupulous and more opportunist—he saw to it that anything delicate or dangerous was said by his followers, not by himself. Wade's attitude was peculiar to himself. He had no particular desire to discard sectarian support. But he was extremely clumsy in dealing with the issues. He was opposed to Home Rule for Ireland, and his rather narrow outlook prevented him from seeking co-operation with the Catholic minority. On the other hand, Holman openly associated himself with the Home Rule movement, and, partly for this reason, became a great favourite of Cardinal Moran, the Catholic Archbishop of Sydney. After Holman's victory at the Cootamundra by-election of 1906, his first public appearance was at a great demonstration in the Town Hall of Sydney addressed by the Irish Home Rule delegation then visiting Australia. When Holman rose to move a vote of thanks to Devlin, the audience gave him a greater ovation than they had given to the Irish delegates themselves.

Holman was equally at home whenever he was persuaded to attend a public function associated with the Catholic Church. His touch, even at its lightest, was firm and sure. Thus he and his friend and colleague, D. R. Hall, were present at an important Catholic function at Young. Holman said:

• The Catholic Church of Australia was necessarily a cosmopolitan church, and not the least of its merits was that it introduced into this land a broad atmosphere of cosmopolitan culture. It taught them to keep in touch with the great world and to raise their minds above the insularity of merely local affairs. But above all that, was the ringing note of Australian patriotism in which all utterances of its great prelates were pitched. They had heard that day from His Eminence an address in which this great sentiment was again most eloquently and forcibly expressed. His Eminence, speaking for the Church, had always taught its faithful people that they must be not only good Christians and good Churchmen, but also good citizens of the great Australia they hoped to build up in these southern seas—that only upon that basis could their nationality be built up. If he might offer the comment without presumption, he would say that the speech they had heard that day was not only worthy of a Prince of the Church, but stamped His Eminence as a great statesman too.²

Then, realizing that his language might be misunderstood and subjected to criticism, Holman with perfect naturalness supplied the necessary antidote:

He supposed that as Mr Hall and himself had spoken in this way, they would have to face the usual charge from certain quarters that they were weak-kneed Protestants. Well personally he (Mr Holman) would rather be a weak-kneed Protestant than a weak-brained one, and he thought it was the feebleness of some of his brother Protestants' intellects, rather than the force of their conviction, that stirred up the malignancy of some of their utterances.

Speaking as one of the rational Protestants of the State, and on behalf of all such, he heartily congratulated Father Hennessy and the Church on the achievement of that day.

Except for the extreme type of bigot who could never sully his soul by associating with the working-class movement, nobody, whether possessing any religious belief or not, could read such addresses without pleasure and admiration. And those who were privileged actually to hear Holman could never forget the magic of his voice.

In July 1910, when Wade faced the Legislative Assembly for his last "window dressing" session, his position seemed almost desperate. His main hope was that during the next few months the Fisher Labour Government might make some serious blunder in Federal politics which would cause a reaction against Labour in the Mother State.

During the opening debate, Holman said that the State by-elections of 13 April showed that Labour's success was not going to be limited to Federal politics—"The flowing tide is with us." Holman was still hopeful of the future of industrial arbitration, despite the Coercion Act. That Act the Labour Party would repeal. The Industrial Arbitration Act of 1901 was (he said) one of the greatest achievements of the age. It removed the claims of the workers from the mere jostle and higgles of the market-place into the category of new rights declared upon a basis of justice, and enforceable by appropriate trade unions. The change effected was so revolutionary that it aroused the most virulent hostility of certain employers, who, in 1904, induced Wade and Carruthers to paralyse the Arbitration Court by not appointing a successor to the first judge, thus defying the plain intention of the Statute. As a result of Labour's protests, Carruthers himself had backed down; but Wade's hostile attitude to the court had merely been suspended. His hatred of trade-unionism had been revealed in the Coercion Act. Holman said that:

All Australia, all New South Wales in particular, have repudiated with scorn the conduct of the Ministry throughout the crisis. The Government adopted the methods of coercion. It proposed to use the baton of the policeman to stamp out every social evil; but the Coercion Act had as much effect on the strike as it had on the precession of the equinoxes and the strike lasted 12 weeks.³

Holman laughed at Wade's phrases. "After the old Newgate fashion," he said, "which I have no doubt is familiar to the Premier, which allowed dying criminals to address a few words to those around them, we are now exhorted by the Premier to 'play the game'."

Wade's next move showed that he was fearful that a Labour Government would succeed him. He introduced a measure for which he had not the faintest electoral mandate. By the Bill it was proposed that the number of

members of the Assembly should be fixed and that the membership of the Upper House should be limited to a fixed proportion of the number of members of the Assembly. It was provided that deadlocks between the two Houses should be settled by a referendum; and that the constitutional Bill itself should also be submitted to referendum at the ensuing general elections.

The Bill contained one very popular feature in that it proposed to reduce the number of Assembly members who, of course, received payment for services; it was hoped that the undemocratic character of the residue of the Bill would be outweighed by the cry that expenditure on members of Parliament should be reduced. Even the phlegmatic McGowen said: "A more diabolical proposal was never made to a dying Parliament by a dying government in the history of Australia."⁴ Only twelve months earlier, the Government had appointed twelve persons to the Upper House, and eleven of the twelve were Government supporters. If the present proposal went through, a Labour Government would probably be debarred from appointing any supporters to the Upper House; although out of its fifty-four members there were only five Labour supporters.

Holman's speech was so effective that it forced Wade to throw the Bill under the table. He said that it was infinitely more democratic to retain the present method of Upper House appointment than to have an elected body. The reason was that the Government of the day always retained the reserve power of swamping. This ultimate sanction made it unnecessary to resort to the machinery of joint sittings or referendum. But, having regard to its conservative composition, Wade's plan of limiting Upper House membership would create a constitutional monstrosity and could only be characterized as a deliberate attempt to cheat Labour for all time.

Holman quoted with pleasure the *Daily Telegraph's* criticism of Wade's proposal:

It is not often I find myself in the happy position of being able to agree enthusiastically with any political ideas which I find initiated in the leading columns of the *Daily Telegraph*. These occasions are so rare in the course of my chequered career that I think I can safely mark them with a white stone.

Holman rightly stressed the constitutional importance of the existing practice of appointment by the Governor. The power of swamping remained a sanction against Upper House obstruction of any Ministry which had the clear backing of the people. Therefore the Council could not prolong its resistance beyond the point where proof was available of what was the popular will. At that point, either through fear or sweet reasonableness, the Council had to yield. If Labour obtained a mandate to abolish the Upper House, the method to be adopted would also involve swamping. Wade's Bill would almost entirely preclude the possibility of abolition.

The objections of the *Daily Telegraph* were potent enough; when those of the *Daily Telegraph* and Holman were combined they were all-powerful. As Wade dropped the Bill, the ultimate power of swamping the Legislative Council remained part of the constitutional law of New South Wales until 1933, long after Holman's New South Wales career had concluded.

But Wade's window-dressing measures were of some assistance in his electoral struggle of 1910. First, he passed a Clerical Workers' Act which enabled a minimum wage and overtime rates to be fixed by industrial boards for clerks, whom Wade had deliberately excluded from the scope of the Industrial Disputes Act of 1908. Second, he liberalized in one or two respects the Miners' Accident Relief Act. Third, he made Saturday afternoon a compulsory half holiday in the metropolitan areas of Sydney and Newcastle, fixing the closing hour for Friday at 10 p.m., and for each other night at 6 p.m. Finally, he passed the Workmen's Compensation Act of 1910, the first of its kind in New South Wales, although the first English Act had been passed thirteen years earlier. Wade's Act had many unsatisfactory features. Its scope was severely limited and its benefits were niggardly. The maximum payment in case of death was £400, and, in the case of total or partial incapacity, the maximum weekly payment was £1 and the maximum total liability was £200. But it was something of a triumph for the leaders of the Labour Party that those who had for so long opposed its programme of social and industrial reform were now competing with Labour in the carrying out of one of its proposals. Wade's Workmen's Compensation Act was a source of relief to thousands of workers who had to face the ever-increasing dangers of modern industry.

On the other hand, Wade's window dressing was to some extent counteracted by his amending the Parliamentary Elections Act immediately before the general elections. Up to this time, the method was "first past the post", each voter marking a single cross on the ballot paper opposite the candidate of his choice. Wade was faced with the probability that many non-Labour candidates would stand independently of the official machine, thus splitting the anti-Labour vote. Wade might have adopted a scheme of preferential voting, with each voter indicating his preferences after the first choice. Instead of that, he introduced the second ballot system, by which, unless one candidate obtained an absolute majority on the first ballot, a second ballot was required to be taken either seven or fourteen days thereafter, according as the electorate was metropolitan or rural. It was provided that, on the second ballot, only two candidates were to be eligible, i.e. those who polled first and second on the first ballot. Thus Wade's last session, begun in panic, had continued in a bold attempt to persuade doubting electors that he was a liberal and not a reactionary, but had concluded on the first note of panic.

Holman feared the effect of Wade's sudden conversion to the principles

of the Workmen's Compensation Act and he charged the Government with stealing Labour's platform. "It reminds me," he said, "of Macaulay's famous reference to the stag—with a leap forward he takes his hind where his forefeet were. We are the forefeet of the political quadruped, and the Liberal platform is its very crooked hind legs." He added: "They borrow our proposals with impunity, and the sooner that condition of things is recognized by the majority who have been blindly pinning their faith to the reform inspiration of politics, the better it will be for the future development of New South Wales."

The Liberal organization, based for the first time upon an able central office, undoubtedly enabled Wade to avoid a repetition of the "landslide" to Labour which had occurred in the Federal elections of April 1910. For a time it was even thought that Holman's prospects of success at Cootamundra were somewhat doubtful. His opponent, Colonel Ryrie, was a very popular candidate. The *Daily Telegraph* anticipated that Federal Labour's plan of a graduated land tax upon the unimproved value of land would cause a revulsion of feeling against the New South Wales Labour Party:

At present an awakening to something like a fear of what Labour is doing, and will do, is creeping into the minds of this large body of middle-class men upon the land. The ruthless, tyrannical proposals of the Federal Government about to be enforced are bearing fruit. The £5000 exemption no longer counts.⁵

As it turned out, Holman's own forecasts were very accurate. Colonel Ryrie's pluralities outside the three main towns were insufficient to give him victory. However, Holman's net majority⁷ was reduced by 40 from that of 1907. His lead at Temora was only 118, but he bettered his position at Cootamundra, and his majority at Junee was 271. The result was:

Holman	3551
Ryrie	3316
	<hr/>
Majority	235
	<hr/>

Polling day was 14 October 1910, and there was much speculation as to whether New South Wales as well as Australia would have a Labour Government. In Sydney vast crowds assembled around the newspaper offices as returns were posted from every electorate in the State. The spectacular progress of Labour towards political power seemed to have caused a renaissance of political interest. As the Cootamundra figures showed Holman with a safe lead, there was great cheering. At that moment it looked possible that Labour might just about secure an absolute majority of the 90 Assembly seats. Such a result would seem to crown the efforts of Holman who had devoted his life to Labour's cause. He had had many critics, not only

outside but within the Labour movement. He had never aimed merely at pleasing the multitude. Powerful interests detested him. When, prior to the general election, he had lectured on "Australian Intellect" he complained that the Australian universities were more intent upon turning out doctors, barristers and engineers than upon encouraging original research or critical scholarship; that they were nothing more than "glorified technical schools", that "the great trouble was that Australians had not got into the reading habit", and that "he could see no hope of salvation from the Australian Press". Such fearless and independent expressions of opinion had turned powerful editors into adversaries. Against him the cruder sort of political cartoonist had been let loose. Frequently he was held up to ridicule as the hopeless tragedian of the Labour *ménage*, a personal tilt at the profession of his father and mother which was contemptible but irritating. Despite these struggles and annoyances, the ordinary man and woman sympathized with him. Those who remembered his setbacks during the nineties also remembered his magnificent display of courage during the Boer War and his gallant fight to democratize the Federal constitutional charter. In season and out of season, he had been the spearhead of Labour's agitation and propaganda. He had completed three years of detailed organization of rural electorates. Would the result now appear? Several times on election night it seemed evident that others, especially the Federal Labour members, had reaped where Holman alone had sown. But gradually, as the night wore on, the Cootamundra return was followed by many other Labour wins in rural constituencies. And it became certain that, taking into account several second ballots which it was impossible for Labour to win, the State of parties in the Assembly of 1910 to 1933 would be as follows:

Labour	46
Liberal and Independent	44
	—
Absolute majority	2
	—

The aggregate Labour vote in New South Wales reached 280,000, a figure which exceeded the 263,000 votes polled by Labour during the Federal elections. The Liberal vote was 258,000. Not only in seats won, but in aggregate popular backing, Labour was given a mandate to govern the country.

CHAPTER XXX

HOLMAN IN OFFICE'

THE first Labour Government to assume office in New South Wales was led by James McGowen who was Treasurer as well as Premier. Holman was Attorney-General, Minister of Justice and deputy leader, Macdonell was Chief Secretary, Nielsen had Lands, Arthur Griffith, Works, Beeby, the Education portfolio; while Edden was Minister for Mines, and Flowers representative of the ministry in the Upper House. The ministers without portfolios were Carmichael and Treflé. They were an able body of men, obviously superior to the Wade ministry both in collective strength and individual ability. Nielsen had become a recognized expert in the Crown lands laws of the State and was intent upon enforcing Labour's principle of perpetual leasehold tenure. Beeby had been Holman's associate in the struggle which secured the solidarity pledge, and was much experienced in industrial law.

The chief weakness of the ministry lay in its leadership. McGowen, an interesting and very likeable personality, had originally been an artisan employed in the Government railway workshops. He had been a member of the Assembly continuously since 1891. In 1899 he had allowed the party to be overborne by Holman and Hughes when the "solid six" forced the caucus to vote out the Reid ministry. Soon afterwards he had been intimidated by the violent reception to Holman's Assembly speech of protest against the Boer War, and throughout that struggle he left Holman to fend for himself. In spite of his long experience, McGowen never became very familiar with parliamentary procedure. He possessed no great quality of intellect. But he possessed something which, from the point of view of electoral support, was invaluable—a great reputation for rugged honesty and personal integrity; he was "Honest Jim". Throughout his term of office as minister of the Crown, he retained his superintendence of the Church of England Sunday school in his electorate. His only known vice was Saturday afternoon bowls. The political roundsmen said that McGowen led the parliamentary Labour Party as the headlight leads the Melbourne express. For the time being, however, it was better that he and not Holman should be leader of the party. After Holman, the most forceful personality of the ministry was Arthur Griffith. While Holman and Griffith were each fully aware of the other's gifts, neither was unaware of the other's faults. Immediately before the general election of 1910, a paragraph appeared in the *Bulletin* stating:

As regards personality, Holman is the most brilliant debater in Parliament, but he is not trusted even by his friends. Griffith is the most forceful speaker

in the party, but shows to the best advantage on the platform. Summarising the two men, Holman is a brilliant intrigant, and Griffith an aggressive and resourceful fighter.

Holman suspected that Griffith was the author or inspirer of this paragraph; in such an atmosphere neither was likely to remain the personal friend of the other.

Upon his accession to the office of Attorney-General, Holman was tendered a banquet at Cootamundra. He praised his fellow ministers, but warned Labour supporters that at first the Government would have to move slowly. Parliament would have to be called together at once, but only for the purpose of obtaining supply, and passing certain urgent measures. The first ordinary business session would not commence until the middle of 1911. Holman said that:

He looked back to the time when the Labour party was regarded as a gang of burglars and pariahs. They all remembered it. Today they were the advisers of the Crown and the party which directed the destinies of New South Wales. They would be faithful to the high duties charged upon them.¹

The short session of 1910 lasted for only a month, the legislation consisting mainly of Statutes authorizing public works. Supply was obtained for the remainder of the financial year, i.e. up to 30 June 1911. One non-contentious measure of general importance was the Murrumbidgee Irrigation Act providing for the constitution and management of irrigation areas to be served by the great Burrinjuck Dam then under construction.

Early in the session Holman crossed swords with Wade over the administration of the Department of Justice. Immediately after his being sworn in, Holman called for reports from the judges who had presided at the two trials of Peter Bowling, whose release the Labour Party had pledged itself to secure. For some extraordinary reason, it was feared that the State Governor, Lord Chelmsford, might refuse to exercise the prerogative of pardon, and an extraordinary scene, subsequently described by Sir Harry Budge, took place at the Executive Council meeting:

The whole of the ministry called upon Lord Chelmsford, all being under the impression that it would require all their eloquence to gain their end. The Premier started to address the Governor most eloquently and feelingly, but after he had proceeded a few minutes, Lord Chelmsford asked him to state the nature of his request, which was a plea for Peter Bowling's release. Like lightning, Lord Chelmsford wrote "Approved" on the paper handed to him, and simply said, "Gentlemen, the recent elections decided this." Ministers were dumbfounded. They had anticipated opposition, but Lord Chelmsford knew his constitutional position, whereas they did not. He always impressed



LOW SEES HOLMAN AS MELANCHOLY BUT RESOLUTE
From the Sydney *Bulletin* after Holman became State Attorney-General.

on me that a Governor should never be concerned with Party politics; that it should be a matter of indifference to him who was in power, and that a Governor should be prompted only by solicitude for the public interest.²

Lord Chelmsford was correct in saying that, in part at least, the elections had been fought and won by Labour upon the promise to repeal the Coercion Act which had been used to secure Bowling's conviction on one charge, and indirectly to procure his conviction for common law conspiracy.

Two other matters, apart from the Peter Bowling trial, caused Holman very great concern. One was the question whether the death sentence should be inflicted upon a man who had been found guilty of murdering and mutilating his own daughter. In this atrocious case, Wade was much to blame for he had delayed the Cabinet decision as to commutation of sentence for no less than one month prior to the elections and one week thereafter; so that the prisoner had been lying under sentence of death for five weeks. The decision of the Labour Government to commute the sentence was only reached after two full days' consideration; but the very painful affair was used often by the Opposition as a stick with which to belabour the McGowen Government.

The second matter caused Holman even more trouble. A man was convicted for having purported to witness the signature of a person who was applying to have his name included on an electoral roll, without personal verification of such signature. It turned out that the defendant had been a canvasser in the Labour Party's interest. He was fined £10 by a magistrate; but Holman subsequently acceded to a petition for remission by reducing the fine to 1s. Holman minuted the papers: "The only purpose of these prosecutions is to call public attention to the obligations of the law. The well-meaning enthusiasts like the applicant in this case, have now received sufficient warning." Embarrassments to Holman arose, not so much from his remission of the fine as from his use of the phrase "well-meaning enthusiasts". The resulting imputation of administration of the criminal law by reference to political and party considerations was damaging to himself and his party. In truth, Holman was over ready to disclose to the House and the public highly confidential reports and minutes relating to the administration of justice. The result was that every unguarded phrase was subjected to distortion and misrepresentation. He was forced to make a protest against a series of personal attacks. As Attorney-General, he was invested with the power and duty of determining in every case whether to file a bill charging an indictable offence. In effect, he was the sole grand juror of the State. When he received from the Broken Hill Labour League a strongly worded protest against the further imprisonment of a striker, he put his foot down. He expressed his deep regret that the league "should imagine that the admin-

istration of justice by Labour Ministers was amenable to political influences". The particular incident was ended, but "well-meaning enthusiasts" was a striking though not original phrase which he was never allowed to forget.

At the end of the first session, Holman and Beeby paid a short New Year visit to New Zealand. There Holman saw fit to inform the Press that he was pleased that, as a result of a State ballot, Peter Bowling had been deposed from the presidency of the Miners' Federation. It was a recognition he said "that industrial amelioration could best be obtained through political action and not by strikes".

CHAPTER XXXI

REFERENDUM CRISIS

HOLMAN returned from New Zealand via Melbourne; in Melbourne he became acquainted with W. A. Watt, the Liberal politician, who became very prominent in Victorian and Commonwealth politics. Each was greatly impressed with the other, and the impression was heightened by their common suspicion of any encroachment by the Commonwealth upon the constitutional powers of the States. The acquaintanceship ripened into friendship. But Watt was regarded in New South Wales as the main pillar of anti-Labour's strength in Victoria; consequently the praise he publicly bestowed upon Holman for defending State prerogatives did the latter more harm than good among the more fervent of Labour's officials and supporters.

On arriving at Sydney, Holman found his colleagues facing the threat of a crisis. In a month or two, the Federal Labour Government was to submit to popular referendum some drastic amendments of the Federal Constitution. What attitude was the New South Wales Labour Government to adopt? Under the rules of the Labour Party, the supreme governing body in relation to such questions was the Interstate Conference. Binding decisions as to constitutional alterations had been pronounced by the 1908 Brisbane Conference, but these decisions covered only three specific grants of additional power to the Commonwealth, namely, (i) power to implement the doctrine of "new protection"; (ii) power to make Federal industrial arbitration more effective and (iii) power to secure the nationalization of monopolies by the Commonwealth.

Upon these three points, Holman and all the members of the New South Wales party were bound. Now in order to give effect to these three decisions, three constitutional amendments at most were required: (i) an amendment permitting the Commonwealth Parliament to impose customs or excise duties with a specific power to exempt from duty by reference either to the wage paid or the prices charged; (ii) an amendment specifically empowering the Commonwealth to acquire on just terms any business or businesses which were in fact monopolized or subject to a trust; and (iii) an amendment giving the Commonwealth Parliament power to establish arbitration tribunals and to vest them with authority to settle all industrial and trade disputes whether they extended beyond State boundaries or not.

But, as drafted by Hughes, who was Attorney-General in the Federal Labour Government, the amendments of the Constitution proposed to be submitted were far more drastic in character. The first proposal was to

enable the Commonwealth Parliament to *declare* any industry or business a monopoly and then to run it as a Commonwealth concern, and the second proposed to tack together a large number of additional Commonwealth legislative powers.

As to Hughes's monopolies amendment, it was open, possibly, to the objection that, if it was adopted, the businesses of a State Government or a municipality could be nationalized; it was also open to the objection that the Commonwealth Parliament's decision as to whether there was a monopoly was unchallengeable in the courts. Despite this, the proposal was, on the whole, in fair accord with the decision of the Brisbane Conference.

But Hughes's second proposal was different in character. If it was adopted, the legislative power of the Commonwealth would extend to trade and commerce without restriction although its existing power was confined to interstate and oversea commerce. The Commonwealth would also obtain power to regulate, control and dissolve corporations formed for trade or business purposes; it would be able to exercise plenary authority over the subjects of labour, employment and unemployment; and it would have general control over labour conditions to be observed on the railways owned by the States. Further, the Commonwealth Parliament would also obtain power to regulate all trusts, combines and monopolies whether or not it was decided to take over and run them as national concerns. And all these desperate proposals had to be accepted as a whole or rejected as a whole.

Who was it that induced the Federal Labour Party to depart from the binding decisions adopted by the Brisbane Interstate Conference? Undoubtedly it was Hughes. Fisher and Watson, the leader and ex-leader of the Federal Labour Party had been delegates at Brisbane, but Hughes had not. Holman said later:

Unluckily, Watson had by now retired from Parliament. Fisher showed himself, as he always remained, conscientious but easily manageable by abler men than himself. The leading mind in the new government was that of Mr Hughes, and although the doctrine of the "scrap of paper" had not yet been formulated by Bethmann-Hollweg, the penetrating intelligence of the Federal Attorney-General had divined it and made it his own, years in advance. The Brisbane resolutions were mere froth and bubble, with no binding effect on him. He formulated a scheme of constitutional amendment of his own which was to give the Federal Parliament, among other things, control of all industry and full control of all domestic commerce. This, Mr Fisher, with uncomprehending readiness, accepted, and called on the whole movement to rally to him.¹

Holman was greatly concerned and regarded the Federal Labour Party's proposal as a distinct breach of faith. Once give to the Commonwealth Parliament power to control and regulate labour, commerce, employment, in-

dustry and trading companies, and the legislation of any State on these vital subjects would have to yield to the paramount provisions of any Commonwealth law on the same subject; for, under the Commonwealth Constitution, all conflicts between Federal and State legislation had to be resolved in favour of the central legislature. Hughes argued that if the proposed powers were granted, the legislative power of New South Wales in relation to industry would not come to an end. Holman admitted that this was true in the technical sense, that if new powers were given to the Commonwealth that would not automatically terminate State legislative powers; but he said that it was false in the more important sense that, so soon as the Commonwealth Parliament legislated, the industrial legislation of the State would have to make way for the superior law of the central legislature. Labour had a majority in both Federal Houses; therefore it was to be assumed that, if the powers asked for were granted, they would be exercised.

Hughes also contended that certain subjects not proposed to be included within the list of Commonwealth functions would still remain within the exclusive province of the States. Thus, the States could control land and settlement, irrigation, education, public health, civil law generally, liquor law and the State railways. But Holman said that, even as to these, land settlement or irrigation legislation might be controlled by Federal laws regulating domestic commerce and industry, and even technical and commercial education might, to some extent, be regulated by the Commonwealth as part of such commerce or industry. In certain aspects, even public health would be subjected to Commonwealth control of commerce—for example, pure food legislation; further, that portion of the civil law which governed the activities of corporations and the control of liquor sales might be regulated by the central legislature as would also many activities of local government. In the result, all that would be left to the States, he concluded, would be criminal law generally, State public works and the administration of justice. On the other hand, all domestic commerce, all laws affecting corporations, all industrial legislation and all nationalization schemes would be under Commonwealth control. The Commonwealth could take over the Sydney Harbour ferries, all local gasworks, the Newcastle coal mines, or the Sydney brick combine. Even if the State had already nationalized a monopoly, the Commonwealth could take it over. The States would still be left with full responsibility for the successful management of the large amount of capital borrowed and invested in the State railways, while the fixation of wages, and even freights and fares on the same railways, would be subject to Commonwealth control. Holman said:

The present proposal gives us a Parliament with all the weakness of Federation and with nearly all the work of unification. The only effective legislation

that could be obtained after this change, on any of the topics enumerated in the list of powers asked for by Mr Hughes, would be from the Federal Parliament. That Parliament would, however, still legislate under the supervision of the High Court. There is no ground for anticipating that its legislation, under such circumstances, in the new areas provided, would be more satisfactory from the social and democratic point of view than it has been hitherto in its original fields. There would be also probably a great congestion of work in the Federal Parliament, while at the same time many of its measures would probably be held invalid by the High Court.²

Holman's legal analysis was not only reasonable and logical, it was unanswerable. So was his argument that the Federal Labour Party was exceeding the mandate conferred by the Brisbane Conference. The question is—why did Hughes force his proposals through the Federal caucus and subsequently through both Federal Houses? His case was this: a series of High Court decisions had shown that the Federal Parliament

... cannot deal with the most important problems that confront modern society. It cannot deal with trusts, combines and monopolies. It cannot protect the consumer from extortion, nor ensure to the worker a fair and reasonable wage for his labour. It cannot even make a general company law or a comprehensive navigation law. The States are quite unable to deal with these matters; the National Parliament is powerless. But the people must be protected, and in order to protect them the Constitution must be amended.³

Elaborating on this thesis, Hughes urged that "commerce" was an organic whole, that divided control of it was unsatisfactory, and that the question of trusts and combines could not be dissociated from it. The power over corporations was needed because, in order to control combines, the companies which made up the combination had also to be controlled. "The shipping combine and the coal Vend are examples in point," said Hughes. With regard to the industrial arbitration power, Hughes said:

As interpreted by the High Court, in one judgment after another, this power, inadequate as it is at best, has been reduced to a mere shadow. The Court's judgments are a little staggering, but they are the law. And only an amendment of the constitution will enable the people to alter it.⁴

Control over railways was necessary because they were the very arteries of commerce. But Hughes's main attack was upon the combines of Australia. There were no less than thirty-three of them, he said.

Hughes argued that the States could not effectively control these combinations, because they inevitably extended their operations beyond the boundaries of any one State. For that reason, only the Commonwealth could effectively deal with them. The difficulty of defining a "pernicious" monopoly

made it desirable that the Commonwealth Parliament should have power to declare what monopolies should be nationalized. Hughes assailed the dogma of State rights:

As for State rights, what are they? We know what the rights of the people are; we know, too, what the privileges of the great vested interests of Australia, who are at the back of this State Rights cry, are. But we do not know what State Rights are, apart from the rights of the people who live in the States. And these people are the electors of the Commonwealth as well as electors of their respective States. They are the same people. They elect both State and Federal Parliaments. They have, and will always have, full control over the use to which the powers are put. Are the people not to be trusted to look after their own interests?

While Holman was right from the point of view of party constitution and discipline, Hughes's general reasoning was not easily answerable by those who professed Labour's principles. Hughes knew that Holman would not easily surrender the ground he had won at Brisbane. Accordingly, he planned his referendum for April 1911. At that time the Commonwealth Labour Government had already carried out many of its electoral undertakings, but the New South Wales Labour Government had not yet convened Parliament for its main business session. The obvious contrast placed Holman at a very considerable tactical disadvantage. The *Worker*, still the organ of the Australian Workers' Union, and then edited by H. Lamond, was strongly in favour of Hughes, the A.W.U. being itself organized upon Federal lines. Lamond had coined the insulting phrase "State Insects" to suggest the relative importance of the New South Wales Labour Government and that of the Commonwealth which, in contrast, consisted entirely of "Big Australians".

At the last moment, Holman endeavoured to secure a compromise with Fisher; but the Constitution Alteration Bill was hurried through the Senate, and presentation to the people in its then form could not be postponed. It was announced by McGowen and Holman that they would favour the referendum proposals only so far as they embodied the Brisbane platform. This was interpreted as meaning that they would vote No on the proposal to increase the legislative powers, which obviously exceeded those specified at Brisbane; it did not follow that they would even vote Yes to the proposal as to nationalization of monopolies. Once McGowen and Holman had spoken, the anti-Labour Press accentuated and exaggerated every statement evidencing the conflict between Holman and Hughes; for it was plain that, whatever the result of the referendum, one of the two would be humiliated, and the Labour Party would be confused by factional bitterness.

In the middle of the crisis, the New South Wales Labour Conference com-

menced its annual session. Holman spoke on the topic with great force, but his time was limited to ten minutes, and he had to content himself with pointing out what was fairly evident—that the proposals went beyond the bounds of the existing platform. Lamond advocated a Yes vote upon both proposals, declaring that the No advocates were “inspired by no feelings beyond personal jealousy of the Federal Ministers”.⁵ To which Holman interjected: “There would not be much freedom of thought in the Labour movement if you had your way.” Lamond then retorted: “I have learned the principle of solidarity from Mr Holman’s actions twenty years ago.” Although McGowen supported Holman, the conference declared in favour of a Yes vote for both proposals. A special State Cabinet meeting was summoned, and Holman, Nielsen and Beeby urged open opposition to the proposals. Then Holman had a long consultation with Labour colleague J. R. Dacey, who suggested that it was wrong to oppose the Conference decisions openly. In the event of the failure of the proposals, Hughes would be embarrassed, whereas, if the proposals were carried, the leaders of the State party could seek election to the Federal Parliament, where “some of the Federal numbskulls who had been foremost in this agitation will be the least gratified persons in the world to see us coming in there”.

Holman accepted Dacey’s advice. He promised the Conference, on behalf of himself and his State colleagues, that they would not oppose the decision of the New South Wales Leagues and Unions to support a Yes vote. But Holman then made a bold move. He obtained permission from the Conference to move, and had carried a resolution, that the Interstate Labour Conference should be reconstituted on a population basis; he condemned as most undemocratic its existing constitution which comprised six delegates from each State, a curious imitation of the Federal Senate; he reminded conference that he and Hughes had always opposed the method of composition of the Federal Senate. R. D. Meagher supported Holman, saying: “Why should we allow 30 cabbage growers in Victoria to outweigh 100 intelligent people in New South Wales?”⁶ The contrast was rhetorical, but the meaning was clear. Holman immediately moved that the next Federal platform of the party should be drawn up by an interstate conference constituted on a population basis and that the Interstate Labour Conference of 1912 should not deal with any business except that of carrying out the proposed reconstitution. This proposal was also carried (by 125 to 115) amid an A.W.U. cry of “Three cheers for Holman, traitor to Australia”; and the Conference adjourned until the following evening.

On the next morning, however, the Labour Conference proceedings were discussed by the Australian Workers’ Union Conference, which was also sitting at Sydney. It carried a resolution to the effect that, in its opinion: “Mr Holman should at once retire from the Labour movement and fight it

from outside and not from within." The Labour Conference reassembled in the evening. Holman then moved his final resolution to the effect that the Labour Party should oppose any further extension of power to the Federal Parliament until the Federal Constitution had been altered upon lines that would abolish equality of State representation in the Senate and so secure popular supremacy. But Lamond, the newly elected president of the Political Labour League and strong A.W.U. supporter, ruled Holman's resolution out of order on the ground that it was in direct conflict with the previous decision of conference to support the referendum proposals of Fisher and Hughes. Upon a motion of dissent, Lamond's ruling was confirmed by 121 to 74. By similar majorities, Holman's two earlier resolutions were rescinded.

Now, for the first time, Holman became, though for a short season only, the darling of the Sydney daily Press. The *Herald* compared him to Kidston, the ex-Labourite, who "now commands the moderates on both sides in Queensland as its Premier". Joseph Cook, Bruce Smith and W. A. Watt also extended congratulations and sympathy to Holman. In view of the failure of his daring move to side-track the earlier decision of Conference in favour of Hughes's proposals, Holman agreed that his earlier undertaking still bound him. "I have," he said, "abandoned my own original intention of entering into an active campaign in opposition to the referendums out of loyal deference to the general wishes of the movement. My own personal attitude, however, remains unchanged." We shall see how he acted.

CHAPTER XXXII

HOLMAN VERSUS HUGHES

YEARS later Holman wrote a considered opinion on the referendum crisis of 1911:

It was then that Labour turned its back on the principle of free speech—till then a fundamental with the party. It was the first time that the alternative of conversion or the sword had been promulgated, and expulsion made the penalty for dissent. It was, too, the first time that an effort was made to fix on members of Parliament adherence to doctrines to which they had not committed themselves before their constituents. It destroyed the constitutional position of all Labour members, State or Federal.¹

This opinion was written long after Holman had left the Labour Party, and when he was making an *apologia pro vita sua*. His argument was that, until duly amended—in the case of the Federal platform it could be altered at three-year intervals only—the existing platform of the party was binding on all members of the movement and that the conference of any one State had no authority whatever to amend, alter or enlarge the existing Federal platform. Holman traced to the New South Wales decision of 1911, which was inspired by Hughes and Lamond, the subsequent ruling of 1916 by which the Labour Conference of New South Wales declared, and subsequently enforced, its opposition to the proposal of military conscription although such opposition was not embodied in the existing Federal platform. Holman wrote:

When the same methods were applied, on a still graver issue, against all of us, and Hughes and Watson themselves were expelled from the movement for refusing to accept the decision of a Conference, on a matter not on our platform, it was the lesson learned in 1911 that then bore fruit. Exactly the same arguments that had been used by Hughes and Watson against the minority in 1911 were repeated in 1916.

What Holman forgot in 1911, what Hughes remembered in 1911 but forgot in 1916, was that, in every Labour Party, the representatives of which are democratically elected and meet in conference year by year, it is not possible to preclude expressions of opinions upon grave matters of policy suddenly arising. Whether such expressions of opinions are accompanied by attempts to enforce action or inaction upon members of Parliament must always depend upon the circumstances of the moment. Holman knew this

perfectly well. The institution and enforcement of the original solidarity pledge illustrated the position exactly. In that very instance, the action of the Labour Conference was taken in technical defiance of existing rules. In spite of this, the reasons which Joseph Cook and others used in 1893 and 1894 against Holman were echoed by the latter in "explaining" the situation created by conference decisions both in 1911 and 1916. Technically, Holman was right in 1911 just as, technically, he was wrong in 1893. But in 1893 the actions of Holman and Hughes gave to the political Labour movement a foundation without which it could never have been built. Similarly, Hughes, although technically wrong in 1911, was right in his argument that the most powerful monopolies could be dealt with only through the instrumentality of the Commonwealth. In 1911 Holman was unable to resist Hughes because the New South Wales Labour Party, being in direct Opposition from 1904 to 1910, had been able to obtain very little in the way of legislative or administrative concessions; on the other hand, the legislative achievements of the Commonwealth, although often nullified by the High Court, had sufficiently proved the sincerity of the Federal Labour Party. In the Federal Arbitration Court, Mr Justice Higgins had started a new era in industrial arbitration, and had declared that, if an Australian industry could not ensure at least a living wage to all workers in it, it had no right to exist at all. All this reinforced the opinion of Labour's rank and file that political betterment was more likely to flow from the Federal than from the State arena. Holman, concentrating all his energies upon electoral success within New South Wales, had to some extent overlooked the fact that the Federal Labour Party had already proved itself by performances and was, for the moment, easily ahead in the competition for popularity. Despite his criticisms of Hughes, it is extremely likely that, if their positions had been reversed, Holman would have acted much as Hughes did.

But Hughes had also overlooked one vital fact. As a Commonwealth minister he was seldom in Sydney. To some extent at least, he was out of touch with New South Wales' public opinion. Holman relied upon the fact that the official support of the New South Wales Labour organization could never of itself guarantee the carrying of any referendum proposal. Therefore, while not openly opposing the Federal proposals, Holman made the strong objections of himself and other State ministers so evident that even Labour supporters throughout the electorates became divided in opinion. Thus Holman prepared for Press publication various statements designed to explain to the New South Wales workers that Commonwealth industrial legislation in relation to wages or conditions would not necessarily improve their position. All these statements had to be published without mention of Holman's personal responsibility. They emphasized that the Federal Labour

Party had not obtained any popular mandate to legislate in pursuance of the powers now asked for. They made the point that, under the legislative powers referendum proposal, matters which were no part of the Federal Labour platform, e.g. Commonwealth control of domestic industry, were lumped together with other proposals which were justifiable.

Holman also took good care to remind the public from time to time that his own attitude on the proposals was unchanged. Thus, on St Patrick's Day 1911, at a large Hibernian gathering, he gave an original application to the Home Rule principle by suggesting that even within the Federal system, autonomy should not readily be taken away from the constituent States. "I have," he said, "suffered the most desperate punishment that could be devised by malignant ingenuity, namely, the imposition of silence upon a naturally loquacious politician. But this I say, that I regard the right of self-government in a locality as a fundamental principle of liberty itself. It is the rock upon which I build my church."² Hughes could not let such references pass without comment, and described Holman's Home Rule analogy as "the most foolish utterance of the whole campaign". He said:

Mr Holman in spite of the Conference decision, has nevertheless contrived by observations from day to day to hinder their progress more effectively than he could have done by speaking for twenty-four hours on end. It is not what he says, but what he would have you believe he could say if he only made a start with saying it. Just like the owl, which for centuries had held the reputation of supreme wisdom, by sitting immovably grave and glum and looking wiser than any living thing could possibly be.³

But Holman smartly retorted:

Apparently Mr Hughes is growing hysterical owing to the strain of continued campaigning. Those of us who know him are always prepared for an occasional little outburst. His fighting speech is like the French recipe for a love letter. He starts it without knowing exactly what he is going to say and ends it without knowing exactly what he has said.⁴

Holman made another important move before 26 April, when the referendum vote was to be taken. It was the invariable practice that, before each session, the Premier should deliver a pre-sessional address indicating the State Government's legislative proposals. McGowen had already left Australia to attend the Coronation of King George V. It therefore fell to Holman to make the pre-sessional speech, and he fixed 20 April for the occasion. A great Labour rally was organized at Cootamundra, and Holman made a full-dress policy speech in which he featured the State Government's proposals for industrial reform, thus dealing with the very subject over which the Commonwealth would claim jurisdiction if the referenda were carried.



THE *BULLETIN* REGARDS HOLMAN AS A DANGEROUS
"STATES RIGHTER"

"The Labour electors would in the future bitterly learn the foolishness of their action if they decided to hand over the powers to the Federal Government. Why give these great powers to the Federal Party when we have the State Legislatures." (Attorney-General Holman, N.S.W., on the Referenda.)

HOLMAN (to the new Commonwealth brigade): Stop! Stop! You're not wanted! Can't you see that those other fellows are going to deal with the matter.

From the Sydney "Bulletin". Drawing by Norman Lindsay.

In Holman's long programme were included schemes for a State bank, for irrigation, for construction of additional railway rolling-stock in Australia, for education, for a State coal mine, for an all-round eight-hour day in coal mines, for prison reform and for law reform. He pointed out that the Braddon clause had now ceased to operate, and that the substituted Commonwealth legislation by which each State received from the Commonwealth *per capita* payments of 25s. per annum had reduced the New South Wales revenue by £1,370,000 per annum. Additional taxation was therefore necessary.

For once, a Labour policy speech had a good Press, the *Sydney Morning Herald* particularly commending Holman's proposal to treat the proceeds from Crown lands sales as capital, not as revenue or income receipts. "On the whole," it said, "there is much in the policy speech to be commended, with some little to be disagreed with. The public is ever attracted by promises, but it usually desires to see them carried out with other people's money."

One important and intended result of Holman's speech was to rivet the attention of Labour supporters in New South Wales upon the immediate proposals of the State Government. In this way, many waverers concluded that, at any rate during the life of the existing Federal Parliament, it would be very risky to support a great constitutional change which, by adding to Commonwealth legislative powers, might render ineffective the legislation which Holman was proposing to introduce.

But the most decisive factor in the campaign was Holman's argument that, if the proposals were adopted, New South Wales workers might be worse, not better off; and his promises that, if the constitutional position remained unaltered, they should certainly be better off. If the workers could not be quite sure how they would be affected by the exercise of the powers even by a Labour Government, their doubts and anxieties were intensified by the knowledge that an anti-Labour Federal Government might soon have the chance of legislating on trade, industry, wages, employment and commerce. If so, the standard working week might even be lengthened from forty-eight to fifty-two hours. Arguments of this character were not easy to answer.

The result of the referendum vote was the crushing defeat of Hughes's proposals. At once Holman's self-denying ordinance—qualified as it had been—was terminated. He announced that the rejected proposals were not essential to the carrying out of Labour's Federal platform, but that undoubtedly some additional powers were required; and he would take leave to make suggestions in that direction. He then proceeded to analyse the referendum voting for the purpose of convincing the official Labour organizations that many of its supporters must have voted No. Whereas Labour's effective New

South Wales vote at the Federal elections of 1910 worked out at a figure approaching 260,000, the Yes vote in New South Wales was only 134,000. The position was still worse when compared with the 288,000 votes recorded for Labour in the State elections of October 1910. In the circumstances, the temptation to say "I told you so" was irresistible. Holman made little attempt to resist it.

It would have been wiser for Holman to have refrained from rubbing it in. But he deeply resented the fact that the A.W.U. had denounced him as a traitor, and the hated attacks of Lamond, who, as *Worker* editor, was a paid employee of the same union. Holman's criticisms were repaid by the *Worker* with interest; and the A.W.U. was instrumental in having a special Labour Conference summoned for the purpose of disciplining those politicians who, "like Holman", had "betrayed the Conference decision".

The referendum results greatly disappointed Hughes. When he entered Federal politics in 1901, it seemed almost impossible that the Labour Party would ever occupy the dominant position in the new political unit. But Labour's influence as a third party had been very considerable. Through its energy and insistence, Deakin and Lyne, whose hunger for office made them always fear that Reid might outbid them, had been compelled to pass legislation of enduring value to Labour. Finally, the surprising fusion of Deakin and Cook had given Hughes one of the greatest chances of his life-time; on that occasion his invective had caused such a sensation that almost overnight he became one of Australia's greatest leaders. From one end of the country to another, his speeches in denunciation of Deakin, who had always posed as Labour's friend, held audiences almost spellbound:

God save us from such friends. Last night the hon. member abandoned the finer resources of political assassination and resorted to the bludgeon of the cannibal. Having perhaps exhausted all the finer possibilities of the art, or desiring to exhibit his versatility in the execrable profession, he came out and bludgeoned us in the open light of day. It was then that I heard from this side of the House some mention of Judas. I do not agree with that; it is not fair—to Judas: for whom there is this to be said, that he did not gag the man whom he betrayed, nor did he fail to hang himself afterwards.⁵

It was such exaggerated invective which played so great a part in limiting the duration of the Deakin-Cook Ministry to less than twelve months. But all this now seemed to be jeopardized by the failure of the referendum. Still Hughes's despondency was momentary only. He came to the conclusion that the Yes vote had failed because the referendum did not synchronize with a general election and that the proposals should be resubmitted to the people simultaneously with the Federal general elections of 1913.

. As the referenda were a setback to Hughes at the height of his pre-war reputation, so they were the means of focusing the attention of all Australia upon Holman; he was regarded as having outwitted Hughes and cleverly evaded the ban of the New South Wales Labour Conference. In the result, Holman's political stock soared, and that of Hughes was marked down a few points. From this time forward, there was much interplay and no little conflict between Holman and Hughes. All this had a considerable effect upon the history not merely of the Labour movement but of Australia.

CHAPTER XXXIII

PARLIAMENTARY CRISIS

THE great constitutional contest having ended favourably, Holman looked forward with confidence to his first session as leader of the House. He had infused life and activity into all the departments; many Bills were ready; the Lieutenant-Governor's speech was of unprecedented length.

But two matters disturbed him. In August of 1911, the Commonwealth Government's lease of State Government House at Sydney for the purposes of the Governor-General's residence, would expire. Melbourne still remained the centre of the Commonwealth's legislature and Executive (twelve more years were to elapse before Canberra became an actuality); so the visits of the Governor-General to Sydney were few and far between. In the circumstances, Holman had little inclination to relieve his Federal Labour colleagues of the duty of finding for the Governor-General a temporary resting-place in Sydney. He therefore proposed to convert the State Government House into a portion of the National Library, and to throw open its beautiful grounds for public recreation. There was an almost fevered outburst of indignation from the ultra-patriots; and the Colonel Blimps all condemned Holman as a traitor. The latter replied that it was not right to keep the State Government House shut up for at least three-fourths of the year.

The abuse of the State Government had little effect on public opinion. Holman was supported strongly by the influential Melbourne *Age* which condemned the "petty tuft-hunting spirit" of the Government's critics.

The Government House controversy dragged on interminably. A few citizens commenced Equity proceedings seeking to restrain the State from using the property for any purpose other than that of a residence for the King's representative. These patriotic litigants conducted an appeal right through to the Privy Council which affirmed the decision of the High Court of Australia and left the Labour Government at liberty to pursue its plans. Lord Sumner for the Privy Council delivered a judgment which, albeit in an indirect way, criticized those who, without the authority of the British Government, had sought to constitute themselves the guardians both of His Imperial Majesty and of his Australian representatives. He suggested that perhaps the State Governor would return to the old residence.

As it turned out, the State Governor did return to "the house of his predecessors", but subject to this: a large part of the grounds was thrown open to the people, and what had been the stables of Government House were converted into a Conservatorium of Music, which for many years, under the

patronage of Holman and the leadership of the distinguished Belgian conductor, Verbrugghen, made Sydney the principal musical centre of the Commonwealth.

Holman's second dispute was with Arthur Griffith,* the Minister for Works. From the standpoint of party discipline, this was unfortunate. Already Holman had been at odds with Carmichael as to whether during McGowen's absence, the acting leader should not have exclusive possession of the Premier's office. Holman, fearing that his authority might be questioned, had even armed himself with an elaborate legal opinion as to the constitutional power of an *Acting* Premier to gazette a recalcitrant minister out of the Cabinet. Fortunately, the occasion for such an extreme step never arose. Griffith, making an official announcement as to a proposed Government ferry service to the north shore of Sydney Harbour, said that he was against any provision for free ferries, but that the majority of his colleagues had overruled him. Holman publicly rebuked him for having discussed Cabinet secrets, and threatened that the party might have to find a new minister "possibly with more loyalty". But Griffith replied even more bitterly, asserting that he owed his position, not to Holman, but to the caucus which had also appointed Holman. The latter greatly resented the inclination of several of the ministers, particularly Griffith, to make spectacular policy announcements on matters which he regarded as within his exclusive sphere. That Holman did not recognize a similar prerogative in McGowen was an inconsistency which was not overlooked. The breeze blew over, but for a long time relationships between the two ministers remained far from friendly.

It was from an entirely different quarter that the most dangerous storm was coming, a storm which wrecked most of the work of two months of the business session, and nearly led to a dissolution of the Assembly.

At first, everything in the House had proceeded smoothly. McGowen had been paired with Wade, but, as Labour member Cann had been elected to the Speaker's chair, the Government was left with a majority of only one on the floor of the House. However, a small group of Independent Liberals refrained from supporting Wade's first censure motion, the easy defeat of which seemed to suggest that the Government's safety would never be imperilled. But Nielsen, as Minister for Lands, was determined that the Labour Government should, so far as possible, revert to the principle of Carruthers's Land Act of 1895, by which the homestead selection tenure was firmly linked to the principle of perpetual leasehold. In 1908 Wade's Conversion Act had given these leaseholders the right to convert to a freehold tenure, and Nielsen correctly argued that the Labour platform required the repeal of this Act. However, between 1908 and 1910 a number of Crown lessees had exercised the statutory right of conversion in order to facilitate financing on the security of their tenure. Nielsen did not propose to alter

the freehold title of those who had already converted, but he insisted that the option should be made incapable of exercise in the future. This decision contained all the elements of a fierce dispute between leasehold and freehold tenure. Holman's pre-sessional speech proposed that the Crown lessees should be granted a fixed term in which they might still convert to freehold, this concession to lessees having been wrung from Nielsen by way of compromise between his own opinion as reinforced by the Labour platform, and that of a number of Labour representatives of country seats who argued thus: as the Act of 1908 had conferred a statutory right to convert, to take away that right by law without compensation would amount to repudiation, whether or not a lessee decided to convert to freehold.

In this awkward situation there was scope for further compromise by Nielsen, especially on the question of the term for converting. But a meeting of the Labour caucus expressed hostility to any repeal of the Conversion Act. At one stage when Nielsen was threatening to resign at a caucus meeting, the bells rang for the commencement of the Assembly sittings. Holman left the caucus attended by only one other Labour member and endeavoured to engage the attention of the Liberal Opposition in the House by arguing in favour of his Bill for the establishment of a criminal appeal court. The news of the Labour Party crisis soon spread, and Holman's speech was interspersed with many Opposition interjections demanding information as to what was happening elsewhere. The caucus meeting adjourned without a compromise being reached, and on 26 July Wade moved a direct censure on the Government's proposal to repeal the Conversion Act. On this occasion it seemed probable that the Liberal Independents would vote against the Government, but Holman, secure in the Labour majority of one, remained at ease during Wade's speech, quite confident that some satisfactory compromise would be reached with the country Labour members and that Nielsen would still remain with the ministry. At this moment, a messenger handed Holman letters from two country Labour members, Horne (Liverpool Plains) and Dunn (Mudgee). He was utterly dumbfounded to read that each member had *already* forwarded to the Speaker his written resignation from the House. Their letters to Holman stated that they had pledged themselves to the Crown lessees that the existing right to convert freehold would not be interfered with at all, and that, as repeal on certain conditions was still proposed, their proper course was to resign. One of them attacked Nielsen as "the hero of a thousand city leagues who naturally do not understand the position". The resignations were formally announced by the Speaker, who fixed 16 August as the date of the two by-elections rendered necessary. Holman gave notice that, on the next day, he would move the adjournment of the House until a date in August subsequent to the by-elections.



ANGEL HOLMAN EXPELS THE GOVERNOR-GENERAL
(McGOWEN LOOKS ON)

"The second Expulsion from Eden. And there seems to be far more fuss about the second Expulsion than there was about the first one."

From the Sydney "Bulletin". Drawing by Lionel Lindsay.

The next morning the Press published a statement by Holman bitterly criticizing the two members for having resigned without any prior consultation with their leader. "To leave their party," he said, "in the middle of a vote of censure without warning might be, in the opinion of some people, an effective method of asserting a high standard of probity in politics, but personally I hold a very different view of it." In their letters, the members had informed Holman that although they were resigning from the House they were effectively "paired" with two Liberals on the motion of censure. On the night of 26 July Holman had little time to realize that, in the absence of the two members, he might fail to secure the House's consent to adjourn for four weeks for, *on that question*, no pairs could possibly be regarded as binding. When a temporary Supply Bill was carried only by the casting vote of the Speaker, it seemed probable that the Independent Liberals would not support the Government in the proposal to order a special adjournment over the by-elections. Consequently if all the Liberals should turn up for the vote on the special adjournment the Government would probably be placed in a minority of one.

Thus 27 July was a day of great excitement and anxiety for Holman. First of all it was reported to him that one of the Independent Liberals intended to support the Government's motion for the adjournment over the by-elections. This report, which was probably a deliberate trap, was false; but, until the House met at four o'clock, Holman could not be sure that the report was not true, in which case the Government would get its adjournment and might retain office by winning both by-elections. Holman knew that, if the report turned out to be inaccurate, any attempt to put to the vote the resolution for the special adjournment would be defeated, whereupon he would have to resign his office to the Lieutenant-Governor, Sir William Cullen, who was acting in the absence abroad of Lord Chelmsford. In that case, Wade would be "sent for", and, if he in turn was defeated, he might, with some show of plausibility, ask the Lieutenant-Governor to dissolve Parliament on the ground that every possibility of obtaining a working Assembly had been exhausted. For at this period of the constitutional history of Australia, it was fairly well established practice that although the Premier for the time being did not possess an absolute right to a dissolution, his request would be greatly strengthened if he had never been defeated in the House, or if the rival leader had already been defeated.

Holman decided that, if the Independent Liberal was not prepared to support the special adjournment, the lesser of two evils was for the Government to resign *before* it could be defeated on the floor of the House. He adopted the following plan. Early in the day he persuaded Cabinet to give him full authority to negotiate with Sir William Cullen, Chief Justice and Lieutenant-Governor, so as to terminate the session by prorogation with a

view to commencing a new session on 26 August, the very date which was mentioned in the special adjournment resolution for the resumption of Assembly business. If the Lieutenant-Governor was favourable to the prorogation, the Assembly would have to disperse, the by-elections would be held, and the Labour Government might hope to survive. But Holman, fully anticipating the possibility of Sir William Cullen's refusing him a prorogation, had to postpone the moment of such refusal (which would make resignation of office inevitable) until all hope of a favourable Assembly vote had disappeared. Holman prepared a written memorandum of his case for a prorogation, intending to submit it to the Lieutenant-Governor, if and when he knew that the Independent Liberal vote would not be forthcoming. It was not until the House assembled at four o'clock that Holman was made aware that the particular member's vote would be hostile. He therefore had to interview the Lieutenant-Governor, try to obtain a prorogation, and if the prorogation was refused, resign office before the Government should be defeated. Pending his negotiations with the Lieutenant-Governor, Holman had to prevent a division at all costs. Accordingly he arranged that, until his return to the House from the fateful interview, Labour members should continue to address questions without notice to the ministers, all of whom except Holman were present, although their thoughts were elsewhere. Wade remained unsuspecting of the import of the manoeuvre although, in the absence of the two Labour members who had resigned, he had the numbers available to humiliate the Ministry by suspending standing orders and taking the business out of its hands.

To the Lieutenant-Governor, Holman had submitted the argument that the fixing of a date for the reassembly of Parliament after prorogation or dissolution was merely a part of the ordinary routine of executive work, and that when a Governor is informed by his ministers (who are still, so far as he knows, in enjoyment of the confidence of the popular House) that it is inconvenient to proceed with further business, he should, as a matter of good constitutional practice, act upon such advice and grant the prorogation. Holman read to the Lieutenant-Governor a memorandum which, as we shall see, accurately forecast the difficulties of Wade in forming an alternative ministry. The memorandum stated, *inter alia*:

It is further submitted that no good purpose is served by refusing to grant prorogation at this moment. If the party now in Opposition had a majority, or could carry on the business of the country, the situation might be different, but the only result of defeat would be that the Opposition on taking office would have immediately to make the same application to His Excellency for the purpose of proroguing Parliament possibly for a longer period. The alternative must be a dissolution. This, it is submitted, is undesirable in the eighth

month of a Parliament in which business has gone on uninterruptedly and in which up to now there have been no changes of cabinet and whose legislative and administrative possibilities are clearly unexhausted.¹

To the Assembly, Holman elaborated none of the matters which he had addressed to the Lieutenant-Governor, merely stating that, the latter having refused the prorogation, the ministers had tendered their resignations, agreeing to continue in office until their successors assumed office.

The decision of Sir William Cullen to refuse a prorogation was not unreasonable. In reality, Holman's request for the prorogation was a device to achieve, by executive act, something which the ministry feared that the House would probably refuse. The case was not one in the ordinary course where, for reasons of policy, a ministry considers that its legislative proposals should be abandoned. On the contrary, Holman desired to proceed with the sessional programme, but was powerless to do so pending the results of the by-elections. In these special circumstances, there being no legally binding rule or principle to follow, it is not possible to say that Sir William Cullen acted erroneously.

In the Assembly, Holman's announcement of the resignation of ministers placed Wade at a complete loss. He actually contended that only McGowen, who was somewhere on the Atlantic Ocean on his way back to Australia, could constitutionally resign! In the end, with temporary supply granted, the House adjourned over the week-end and the fate of the Government remained in the balance. Wade had missed a splendid chance. If he had risen during question time to move the suspension of the standing orders with a view to passing to immediate consideration of his motion of censure, he would probably have succeeded in taking business out of the hands of the Government at the very moment when Holman was still closeted with the Lieutenant-Governor, and, in such event, by one route or another, the Assembly would probably have been dissolved. But in the emergency Wade was powerless to combat Holman's manoeuvres.

Holman's resignation took place on a Thursday afternoon. Wade was immediately in touch with Sir William Cullen. The latter was publicly attacked by Griffith who argued that, although the Government had repelled all attempts at censure, the King's representative was endeavouring to bring about a dissolution. "I say deliberately," said Griffith, "that the Government has not had fair dealing from the Lieutenant-Governor."² During the week-end, Griffith repeated his attack. Holman was busier than Griffith and at least equally effective. First, the caucus met on the Friday and at once decided that the Conversion Repeal Bill would have to be dropped. This meant Nielsen's resignation as minister in any event, but the party was in a desperate position and was naturally anxious to avoid a dissolution and regain

the two vacant seats. Then Griffith suggested that the next move should be the resignation of the speakership by Cann. Although this resignation could not take legal effect until the following Tuesday, it was agreed to and duly announced to the Press by Cann. This move greatly upset Wade's plans, for it meant that, when he found a Speaker from his own ranks, he also would be liable to defeat by one vote; for, ignoring the two Labour members who had resigned, the effective strength of parties would be: Labour (including Cann) 44, and Liberal (excluding a Speaker) 43.

By the Saturday morning, a truce had been arrived at between Holman and Dunn, and the latter felt himself free to accept the party endorsement for his Mudgee seat; for, in effect, the caucus had endorsed his protest against the repeal of the Conversion Act. Next, Holman got into touch with his old friend B. R. Wise, who had long retired from active politics, but whose reputation as a constitutional lawyer still carried some weight. The result was a public announcement by Wise as to the true and veritable constitutional doctrine applicable to the crisis. Wise referred to the fact that Queen Victoria had prorogued the House of Commons in December 1845, after the resignation of Peel, and he deduced from the precedent that Sir William Cullen, although clearly right in having in the first instance refused Holman's request for prorogation, would certainly be wrong in granting Wade a dissolution of Parliament. Holman very properly refrained from making any statement under his own name, but caused to be published a summary of the constitutional position from his point of view. This summary was drafted in a manner well calculated to appeal to the Lieutenant-Governor:

Labour supporters profess to be confident that a constitutionalist like Sir William Cullen will not make any mistake. One of them, speaking on Saturday afternoon, said that there was all the difference in the world between a Parliament in its first session and in its last. In its last session it might fairly be said that it had ceased to represent the people. But this could not be assumed during its earlier days. Then it can be urged that the present Parliament of New South Wales, only $8\frac{1}{2}$ months old, must be more tenderly regarded than one which has lasted two years or $2\frac{1}{2}$ years. There is plenty of opportunity for work to be done by this Parliament. Another appeal to the country is not necessary. The Government has never been defeated upon the floor of the House.³

So telling an argument had not been prepared by Holman for persuading the multitude, but there is reason to believe that it had effect in the right quarter. So, by the Monday morning, while one of the anti-Labour dailies was still urging a dissolution, the other was suggesting that a method of carrying on the existing House should be devised. Finally, on the Tuesday, Sir William Cullen refused Wade's request that, before he accepted a commission as Premier, he should be assured in advance that he would be granted a disso-

lution in the event of defeat in the Assembly. Similar requests to Wade's have usually been denounced as highly unconstitutional. Wade's request was obviously inadmissible. Holman had not been defeated by any vote of the Assembly. Yet Wade wished to be armed with the threat of dissolution before he would even accept the commission as Premier; so that, even after defeat in the House, he would be in a stronger position than the undefeated Labour Government. A dozen precedents showed that the Lieutenant-Governor was clearly right in refusing to pledge himself to Wade in advance. Had he done so, he would have allowed himself to be used as an instrument of the Liberal Party. Unable to find an alternative ministry, the Lieutenant-Governor was forced to turn to Holman again and to grant the latter's request for a prorogation extending over the period required for the two by-elections. Holman had triumphed. Even the *Daily Telegraph* admitted that "so far, Mr Holman's strategy has been entirely successful".

From the organization side of Labour came many messages of congratulation to Holman; the one discordant note was sounded by Lamond of the Sydney *Worker*, who complained that it was Nielsen's loyalty to the Labour platform for which he had been sacrificed by the opportunists. The *Worker* condemned Holman, referred to his "mad desire to win seats" and to the "absence of leadership in the best sense of the word". But Lamond's criticism would have been better addressed to the Labour Conference itself, which, year after year, had become more and more inclined to restrict the platform to immediate practical demands. Indeed, it is hardly possible to believe that, if the plank of land nationalization had been emphasized, Labour would have gained office so early as the year 1910.

But Nielsen's resignation from the ministry was a great loss. Had he continued in office, Sydney's magnificent harbour foreshores would probably have been obtained for the public at a comparatively small expense. He retained his seat in Parliament, and continued to act as secretary to the Labour caucus. But, of necessity, the ties of his close association with Holman were weakened, and, in the end, the loss of his leadership in land policy and of his organizing ability turned out to be a severe one.

CHAPTER XXXIV

RIOTS IN THE ASSEMBLY

As soon as the prorogation was announced, there was a rush to the vital electorates. There were protests from several Labour leagues about Dunn's official endorsement as candidate for Mudgee; but Holman's persuasive genius easily brushed aside such minor obstacles. For the second seat—that of Liverpool Plains—W. G. Ashford, a prominent landowner, was endorsed as Labour candidate. At Gunnedah Holman in a brilliant speech struck the dominant note of the unique campaign. Labour, he said, was the true country party.

Holman was advised that the strongly held Liverpool Plains seat was reasonably secure. So he spent most of his time in Mudgee and made much use of his bicycle. He dissected the manoeuvres of Wade, referred to his "incompetent churlishness" in having refused to adjourn over the by-elections and to his meanness in criticizing Flowers's appointment as Acting Minister for Lands because he had once been a painter. "Taking the same line of argument," said Holman, "Mr Wade had once been a Crown Prosecutor and, therefore, he could not be an impartial judge in political matters."

The result of the two by-elections created an almost impossible position. Dunn was returned for Mudgee, on which, as supposedly the more doubtful seat, Holman had concentrated his efforts. In Liverpool Plains, however, the Liberal candidate was declared elected by a majority of only three votes. There was great excitement at the closeness of the voting, and there were a number of disputed votes; so that, from the first, an appeal to the Parliamentary Elections Committee which dealt with disputed returns was practically certain.

In the meantime, however, the two parties were left in perfect equipoise—forty-five members each. Cann's resignation as Speaker, which had been signed on 28 July, had reached the Clerk of the Assembly on 31 July, and was then effective. Accordingly, the first business of the Assembly would be that of electing a new Speaker. In the emergency, Holman desired to obtain a Speaker from the Opposition ranks who would preside pending the decision from the Elections Committee and, possibly, the result of a fresh election at Liverpool Plains. Holman believed that, if the Liberals finally retained that seat, a general election was inevitable. Having such a plan in mind, he searched for a temporary Speaker. The resourceful Griffith suggested the name of Henry Willis, a Liberal member, who had been for some years in the Federal Parliament and who was very well versed in parliamentary pro-

cedure; he thought that Willis might be willing to act as Speaker until a general election could be held after the proposed redistribution of seats, or until the Liverpool Plains result terminated in favour of the Labour Party. Accordingly, a conference between Henry Willis, Holman and Griffith was arranged; an agreement was reached, Holman's recollection of the interview being:

I accordingly had an interview with Mr Willis myself, and explained the whole position as we saw it—that we believed the Liverpool Plains results were quite misleading, and that we really had our majority unimpaired; that we wanted a temporary continuance of the House to allow us to test this; that if it should prove that we were wrong we would dissolve thereafter and go to the country, but only if we found that the majority with which we entered Parliament had permanently disappeared.¹

The heads of the agreement were written down by Willis. There were seven clauses. Bills which had already passed the Assembly were to be sent to the Upper House for disposal; all contentious measures before the Assembly were to lapse and no new contentious measures were to be introduced; the Budget was to be immediately introduced and the estimates for the year passed; the redistribution of seats resolution was to go through and an "appeal made to the country at the earliest date practicable". It was also noted by Willis that sittings of the House were to cease before 11.30 p.m. and it was agreed that his "occupancy of the Speakership should be a guarantee of the foregoing undertakings being adhered to".

Later, when Willis was Speaker, he tabled certain correspondence in which he formally protested against the Government's bringing forward "contentious legislation"; Holman insisted that the Government's undertaking not to introduce such legislation was based upon a common understanding that it would cease to apply in the event of Labour's regaining the Liverpool Plains seat. But Willis controverted this, insisting that the agreement was absolute and that under its terms contentious legislation could not be proceeded with. No doubt, Willis understood the arrangement in the way he suggested. Equally, there is no doubt that Holman's interpretation was the more reasonable of the two. Indeed, on 19 August, before Willis became Speaker, Holman made this public announcement: "Mr Willis has, like a good party man, stipulated that *if we are dependent on his acceptance of the Chair for carrying on*, then that carrying on should not be for party purposes, but merely to take the steps that are now necessary for a fair and genuine appeal to the country."² This statement strongly supported Holman's interpretation of the bargain, because, if Labour regained Liverpool Plains either by recount or fresh ballot, the Government would no longer be dependent on Willis for carrying on. Finally, Willis's written memorandum pro-

vided expressly that the sanction for the agreement was his occupancy of the chair. This seemed to imply the position that, if Willis left the chair, the Government would not be able to carry on. Yet, if Labour regained Liverpool Plains, it could carry on without any assistance from Willis.

Apart from Holman's public announcement, neither Wade nor his party had any information as to the Willis compact. All they grasped was that Henry Willis was about to assist in another Holman manoeuvre. They had four days to prepare their plans for the opening of the new session. Inspired paragraphs began to appear in the Press. It was suggested that, as the Clerk of the Assembly would have to preside over the election of the new Speaker, and as he possessed no punitive powers over members, there was nothing to prevent the Opposition from continuing *ad infinitum* the debate on the election of the Speaker. One of the Liberals was reported as declaring: "We may call each other anything we like, and if we wish we may fight." So many rumours were current that the *Sydney Morning Herald* solemnly warned the Liberal Party that they should behave properly. "Whatever happens," it said on 22 August, "we do expect that there will be no unseemly exhibition during the time that the House is without a Speaker."

As it happened, the special conference of the New South Wales Political Labour League met at the Trades Hall on the eve of the Assembly's meeting. It was convened in order to decide whether disciplinary measures should be taken in relation to the conduct of State ministers and members during the Federal referendum of the previous April. Those who wished to punish Holman for heresy were unfortunate. Throughout the State political crisis Holman had compelled the sympathy and admiration of many unattached voters. Within the movement itself he was regarded as having completely outmanoeuvred Wade. In the exciting atmosphere of great political crisis, it was impossible for Lamond or Hughes to succeed in censuring Holman for what had occurred many months before. Accordingly the conference delegates cheered Holman to the echo, his welcome easily eclipsing that of Hughes. The indignation of the conference at Lamond's *Worker* attacks was expressed volubly when, as chairman, he cleared the platform merely because Holman and two fellow ministers were chatting together somewhat audibly. One delegate described the *Worker's* attacks as a "disgrace to the movement", having regard to the fact that it posed as the official party organ. The proposal to censure Holman and Beeby was overwhelmingly defeated. When Hughes endeavoured to obtain a decision that the interpretation of the Federal platform should be left to the Federal party and the interpretation of the State platform to the State party, Holman narrated his efforts to get the Federal Labour Government to modify several portions of the referendum proposals and the unwillingness of Fisher and Hughes even to consider his proposals. Hughes's plan was rejected, and conference broke up

with Holman in full enjoyment of the confidence of the parliamentary party, of the Labour leagues and of the majority of the unions.

Next day the Assembly met, with the Clerk presiding. Willis was duly nominated as Speaker by George Black and Scobie, two Labour veterans. Then the Liberal barrage commenced. Under the standing orders, all that the Clerk was empowered to do was to point out the member who was next to speak. Unspeakably vile language was used by some Opposition members, and the Hansard staff was unable or unwilling to take down every insult. The attacks on Willis were continued without cessation throughout the night. Very few Labour members spoke. Leading Opposition members competed with one another in the violence of their epithets. Wade called Willis "a tool and a traitor who accepted bribes from an intriguing Government". Augustus James imputed "corruption", David Storey condemned the "nefarious negotiations" which preceded the nomination, Price declared that, in choosing Willis, the Labour Party was "turning like a dog to its vomit", Macarthur Onslow said that Willis was "a rogue", a "vile worm", a "political leper", a "rag bag Speaker" and a "scrap heap Speaker", and then hurled two coppers across the House as an ocular demonstration of the price of honour betrayed. Fitzpatrick used such phrases as "pariah dog" and "modern James Carey", and Lonsdale, after calling Willis a "skunk", described the Labour Party as a "stinking crowd". Throughout the uproar and tumult, Willis remained in his place, displaying what George Black afterwards described as "amazing fortitude and patience".³

The manoeuvre of the Opposition was now plainly revealed. It amounted to a definite scheme by which its members would continue to speak, turn and turn about, until the Lieutenant-Governor, in desperation at the degradation of the Assembly, would be practically forced to compel Holman to dissolve or to get Wade to do so after Holman's resignation. So the violent and disgraceful exhibition was kept going throughout the night. The light of the cold morning began to percolate through the historic Chamber which had seen the infancy of representative and responsible Government in Australia, and still the insults continued. At last Holman decided that the time had come to take drastic action to terminate the great scandal which the Liberal Party was bringing upon the representative institutions of the State.

Under the Constitution Act of New South Wales it was provided that, in case of the resignation of the Speaker, the members of the Assembly "shall forthwith proceed to elect another of such members to be such Speaker". Thus it was not merely the right of members to choose a successor to Cann; it was the *duty* of all members to do so and to do so "forthwith". A combination of members for the purpose of preventing such an election was not only an abuse of the process of the House, it was possibly a punishable conspiracy. For the Constitution Act undoubtedly intended that the duty should be

carried out; if so, it was as much a high misdemeanour to nullify the meeting of the Assembly by preventing the election as it would have been if open force had been employed. But legal proceedings against the Opposition were out of the question. Drastic action had to be taken immediately to end an intolerable and disgraceful situation.

Under the existing standing orders it was provided that, if only one member was proposed and seconded as Speaker, "he shall be called to the Chair of the House without question being put". Such member, on being "called" was to stand up and express his sense of the honour and submit himself to the House. Then he was to be again called to the chair and "conducted from his seat to the Chair by the members who had proposed and seconded his election". At an early stage of the debate, Willis had risen and duly submitted himself to the House. Now, at 7.30 in the morning, Holman decided to take advantage of the fact that, by an almost incredible oversight, the Opposition had failed to nominate any candidate *against* Willis. One inference was that, apart from abuse, his election was not being contested. Holman decided to act as though the election was uncontested. A Labour member was pointed to by the Clerk and, while he was pretending to gird himself for the purpose of commencing a speech, the other Labour members "called" vociferously: "Mr Willis, Mr Willis, Mr Willis", and the latter's proposer and seconder who had been forewarned of the move, "conducted" him "from his seat to the Chair", several stalwart Labour members having been assigned to protect the actual chair against seizure by the Opposition, and Willis against physical assault. Willis was conducted to the chair before the Opposition knew what was being attempted. Wade made a fatal miscalculation. Willing to obstruct the election of the Speaker, he had overlooked the necessity of nominating his candidate until it was too late to mend the situation.

Thus, on the morning of 24 August 1911, Henry Willis was placed in the speakership of the Legislative Assembly, *there being no other nomination*. Amid cheers and jeers, Holman was heard to congratulate the new Speaker upon his election by the unanimous vote of the House! Willis was seen to go through the ordinary form of responding. Holman moved the adjournment of the House. Willis declared the motion carried, and after nineteen hours' debate, seventeen hours of which consisted of personal vituperation of the only member nominated, the Assembly closed, and most of its members hurried home to their sleep.

Under Willis's regime as Speaker, the fury and rage of the Opposition members knew few bounds. For days and weeks every imaginable scheme of insulting or humiliating Willis was adopted by a small but powerful section of the Opposition members. He was threatened by one member with a water-bottle, by another with a book, and he was bombarded not only with innumer-

able motions of privilege and dissent but by *sotto voce* defamation of the most disgraceful character.

As Holman said:

The offences committed by the Opposition are systematic, continuous and wholesale. Their offences do not consist of incidental or accidental breaches of Parliamentary decorum, but do constitute in the case of a certain number of members what is apparently a studied attempt to make it impossible for the Speaker to conduct the business of the House.⁴

But the small group of posing larrikins among the Opposition benches met their match in Willis. His calm indifference to wanton insult was made possible by a sound working knowledge of parliamentary practice.

Meanwhile, Holman was making organizational preparations for a possible general election. One Labour member, John Meehan, sustained a serious injury by falling over a balustrade in Parliament House. This added further to the "Macquarie Street drama", Holman describing in turn each Labour member, in whose electorate he happened to be speaking, as "my majority". Willis's stern demeanour and unusual mannerisms created intense public interest in the Assembly proceedings and extorted admiration from unexpected places.

But Holman's way was suddenly made easier. On 3 October the Parliament Elections Committee, representative of both parties, unanimously ordered a fresh election at Liverpool Plains. Holman knew that the Opposition tactics had so disgusted public opinion as to create a new political issue. Holman assumed charge of the Labour organization; and the Labour Party's minority of three was converted into a comfortable majority of 500. This by-election, held on 31 October, synchronized with another by-election rendered necessary by the death of a Liberal member. In the second by-election Labour reduced an electoral minority of 1600 by nearly 900 votes. Thus the "swing" against the Government over the leasehold question had been more than arrested.

By the Liverpool Plains result, the Labour Government was freed from any veto of the Speaker as to "contentious legislation"; and Holman rejected Willis's suggestion that the new Income Tax Bill and the proposed estimates were inconsistent with the speakership agreement. In the end Willis retained the speakership until July 1913, after much "contentious legislation" had been both introduced and passed. In the result, therefore, the Opposition's attempt to intimidate Willis not only broke down; it rallied much support to the side of the Labour Party. To a large extent, Willis succeeded in introducing decorum and order into the Assembly debates, and in this respect his record was far better than that of most of his supposedly "distinguished" predecessors.

CHAPTER XXXV

THE GRADUAL DAY

McGOWEN returned from the Coronation of George V late in 1911. Whilst abroad, McGowen had been absent, not from one, but from twenty hot engagements. No one could deny that Holman had performed brilliantly. He had repelled the heresy hunters within the party who wished to discipline the opponents of Labour's Federal referenda. He had thrown the Opposition into something like panic and confusion. Faced with an astonishingly difficult parliamentary situation, he had outmanoeuvred Wade. In the end the party was in a stronger numerical position through Willis's occupancy of the chair. Nor could he be fairly accused of sacrificing any practical essential of Labour's land policy. One observer said:

Holman belongs naturally to the quarter-deck—he is the man who walks the bridge, and controls the navigation and the guns. McGowen's political talents are more useful in the engine room—he serves the party best when he watches the machinery and sees that the oilers are not neglecting their duty.¹

But there were other facets to McGowen. Thus, when it was officially announced that, during Holman's visit to his electorate, "McGowen is in charge of Government business" in the House, the *Sydney Sun* commented through its brilliant versifier, Adam McCay:

There are thirty-seven items on the business paper now;

Will you look after it, Jim?

They make a stubborn furrow, but I'll leave you at the plough;

Will you look after it, Jim?

I have told them at my office that you'll make your quarters there,

The messengers are rather fierce, but, if you speak 'em fair,

They'll be all right; and, Jim, I've left a lovely easy-chair;

Will you look after it, Jim?

But the Melbourne *Punch* correspondent expressed himself more directly:

Laziness is the prerogative of Labour Ministers, with the single exception of Mr Holman, who works too hard, and endeavours to discharge the duties of the whole Cabinet. There is not a Minister who, with any degree of assiduity, devotes himself to the business of his department. If their work is not in arrears, and it generally is, it is being done by departmental heads without consultation with Ministers. No other Government would dare to behave as a Labour Government does. Its policy is the old one of "another day tomorrow", and

is carried out with untiring zeal. Some day Mr Holman will wake up to the fact that he is doing all the work, and then the trouble, which is always being predicted in Cabinet, will arrive in very truth.

The session which commenced in August 1911 did not terminate until March 1912. The Parliamentary Elections Act extended the polling hours and provided for a system of absentee voting under which the nomadic worker became entitled to vote at any polling place in the State. In December the amending income tax legislation fixed the commencing point of taxation at an income of £300 plus £50 for each dependent child. A flat rate of 1s. 2d. in the pound was imposed upon the income of companies. Up to an income of £700 in the case of individuals, the tax was 6d. in the pound (plus one-third in the case of an absentee), and an additional 2d. on such of the income as was derived from property. The rate of tax was graduated in accordance with the increase in income up to a maximum rate applicable to incomes exceeding £1700 per annum.

Holman derived great satisfaction from the passing of his Criminal Appeal Bill. It followed closely the English Statute of the same name. But the expected benefits of the Act were exaggerated. Since the Act, the power of the Appeal Court to disallow an appeal upon the ground of there being no substantial miscarriage of justice has undoubtedly resulted in dismissals of appeals where, under the old practice of reserving points of law, convictions must have been set aside.

By the Industrial Arbitration Act, 1912, a new court of industrial arbitration was established, and the existing system of industrial boards was altered by grouping allied industries into separate divisions with a fixed chairman. One result of this Act, in the case of strikes, was to substitute the sanction of a purely monetary penalty and to discard the alternative of imprisonment as impracticable. An Act was passed to sanction an extension of the operations of the brick works which the Labour Government had recently established as a State enterprise. The Bursary Endowment Act, 1912, was an enactment of great importance. A board which included the representatives of denominational schools was empowered to establish and maintain bursaries entitling the holders thereof to proceed, not only to the university and to Government schools, but also to any secondary school registered under the Act. Under the provisions of this Act, Catholic and other denominational schools could obtain registration subject to their satisfying prescribed standards.

The session ended before any substantial portion of Labour's industrial platform could be carried into effect. The chief feature of the session was the prestige won for the Labour Party by Holman's astute and dignified leadership, whereas the reputation of the Opposition had been seriously damaged by its behaviour which, according to one Labour member, resembled

"the yelling of a pack of dingoes beside an empty water hole in drought time". The simile was soon replaced by another which compared the attitude of a section of the Liberals to the Speaker with that of some one-sided football barrackers to an unpopular umpire.

But the *Worker's* criticisms of the State Government continued. They were based upon the failure to pass industrial legislation. Whereas the Governor's speech had proposed a 'Workers' Compensation Amendment Act, a Minimum Wage Act, an amended Early Closing Act, drastic alterations of the Master and Servants Act, an eight-hour day in mines, and the establishment of a State coal mine, none of these proposals had been carried into effect. On 12 March 1912 Griffith introduced a State Iron Works Bill to authorize the establishment or purchase of Government iron and steel works. He said that the policy of the Government was to establish such works to meet the demands, not only of the State, but also of the Commonwealth, and that eventually the annual value of the output would be in excess of £5,000,000. But the Bill was not advanced beyond the first reading in the Assembly. An amended Factory and Shops Bill went only the same distance. Even the Industrial Arbitration Bill, for which the Government had a direct popular mandate, was held up and drastically amended. A Bill to increase the salaries of members was defeated by the Council (always a popular move) and the Savings Bank Amalgamation Bill and the State Coal Mines Bill were given merely a first reading and lapsed on the prorogation.

Thus the relationship of the Labour Government to the Upper House was already assuming importance. The Constitution placed no limit upon the number of persons whom the Governor might appoint to the Council. None the less, the party had only five or six councillors on whom it could rely for steady support, and if a special occasion had arisen, such as a proposal to abolish the Council, the Government would have been placed in a minority of nearly fifty! It was therefore incumbent upon ministers to obtain from the Governor, Lord Chelmsford, as large a number of appointments as was possible, and to see to it that all persons appointed should be reliable supporters of the Labour Party. Holman succeeded in obtaining eleven nominations, but only six of the appointees were recognized members of the Labour movement. Of the remaining appointments there was much trade union criticism, George Black subsequently alleging that one of them had paid £500 to the Labour Party funds prior to his appointment. Neither the Political Labour League executive nor the caucus was consulted about the appointments. Thus the Government missed an excellent chance of consolidating support within the movement.

Meanwhile, more referendum difficulties were being created by the Federal Labour Cabinet. Hughes adhered to his determination that, subject to certain alterations, the whole of the proposals rejected by the people in 1911

should again be submitted to referendum vote at the Federal general election of 1913. Hughes believed that by such means solid Labour support for his proposals would be assured. He also decided to destroy the argument successfully used in 1911 that it was unfair to link together, in one proposed constitutional amendment, a large group of disparate legislative powers. Next, he took great care that the decision of the 1908 Brisbane Labour Conference should be overruled. So, at the 1912 Interstate Labour Conference, held this time at Hobart, he obtained specific authority to re-submit the questions once more to the electors, and the Federal Labour platform was formally altered to provide expressly for the "inclusion in the Constitution of the powers asked on 26 April 1911". Consequently many of Holman's potent arguments of 1911 would not be applicable upon the re-submission of the proposals in 1913.

But Holman still hoped that some compromise with Hughes was possible. On 19 January 1912, at the State Premiers' Conference at Melbourne, he asked approval of a proposal that the State Parliaments, acting under a special section of the Commonwealth Constitution, should join in handing over to the Federal Parliament three distinct subject matters, namely:

1. Labour and employment so far as it related (*a*) to the prevention or settlement of any industrial dispute and the enforcement of the Federal arbitrator's award throughout an industry, or (*b*) to the principle of the "new protection", i.e. protecting manufacturers subject to the condition that the industrial manufacturer must observe prescribed wage standards.

2. The subject of prices, so far as it was necessary for the purpose of enabling the Federal Parliament to impose price conditions in return for granting protection to manufacturers.

3. Interstate combines and monopolies, so far as was necessary to enable the Federal Parliament to regulate and, if necessary, acquire, such combines and monopolies.

Holman adhered to his opinion that it was unnecessary, in order to make effective any part of the Labour Party's policy, to give the Commonwealth a general jurisdiction over intrastate as opposed to interstate trade or commerce.

Holman made a good showing before the State Premiers, but it was soon made clear that none of them was particularly anxious to assist him in composing his dispute with Hughes. Again, Holman was legally correct in the argument that his proposal would, in substance, have carried out the Brisbane Labour Conference decisions of 1908. But the Premiers' Conference included three Liberal Premiers, and they did not care a rap whether the Labour Government of the Commonwealth was venturing to ask too much or too little. From the Labour point of view Holman was answered by the extremely convincing argument that the Hobart Conference of 1912 had entirely destroyed his case so far as it was based on the Federal platform

of 1908. The 1908 conference was over and done with and there was nothing sacrosanct about its conclusions. In the result the Premiers of three then Liberal States (Victoria, Queensland and Tasmania) amended Holman's proposal in vital directions and the States under Labour Government, including New South Wales, had to vote against the amended resolution.

A further stage in this great constitutional struggle was Hughes's victory at the New South Wales Conference of 1912. On this occasion it was resolved that any "failure to support" the referendum proposals at the 1913 elections would be regarded as the equivalent of active opposition, and that members of Parliament (Federal or State) offending against the decision would not be endorsed as Labour candidates.

These events opened up for Holman very gloomy prospects for 1913. There were many rumours of a proposal to form a coalition in which he and Beeby were to join with the more radical members of the Liberal Opposition. In September 1912, on the occasion of a heated debate concerning Speaker Willis, a responsible Opposition member had asserted that both Holman and Beeby had already been intriguing with a view to forming such a coalition.

The assertions were laughed at by Holman and Beeby, but later in the year they were repeated in circumstances which made them appear more plausible.

CHAPTER XXXVI

BRICK WORKS AND STEEL WORKS

DURING the long recess of 1912 Holman became more and more, and McGowen less and less, the Labour Party's chief spokesman. Holman's speeches laid down in broad outline the "developmental" future of the State. He continually stressed the importance of duplicating the main lines of the State-owned railways. At this time, the main country lines were single tracks, the trains having to pass each other at sidings. The consequent delays and losses were great, and the ever-increasing wheat harvests were accentuating the congestion to an intolerable degree. The railway rolling-stock had become quite inadequate, and the "economies" of the two "reform" leaders, Caruthers and Wade, were being paid for dearly. Although Johnson, as Chief Commissioner for Railways, had urged the importance of duplication, Holman suspected that the Chief Commissioner was not fully co-operating with the Labour Government. Johnson was an able administrator but he was very hostile to political Labour, especially after the tramway strike of 1908. In response to the pressure from the Government, Johnson demanded more artisans, particularly bridge carpenters and bricklayers; he suggested that they should be brought out from England, a scheme which he knew would be very distasteful to the trade unions. But Holman approached the Sydney union organizations, explained the position fully, obtained their promise of help, and a special union delegate was sent to England to help in the selection of the necessary workers. All this took much time, and in April 1912 Holman proposed to clip Johnson's wings by transferring the function of duplication supervision from the Chief Commissioner alone to the Minister for Railways and the Chief Commissioner. In fact, Johnson had too much to do. As Holman said:

The developments in connection with those matters had shown that a barrister had to tell Mr Johnson how to end the congestion at Darling Harbour, and a body of politicians had to show him how to get engines cheaply and quickly from abroad. He was far, however, from blaming Mr Johnson personally for these matters. He considered that the Commissioner was expected to do far too much under the Railways Act. He did not believe that there existed another railway system of similar size and importance in the world placed under the practical autocracy of a single man.¹

Holman continually stressed the need of a very active public works policy, and made a telling comparison between the works programme of Labour's eighteen months' administration and that of the Wade Government.

Holman carried his propaganda throughout the country. In education the Government's policy had been remarkably successful. A large number of continuation schools had been started; as a result the children of the workers were able to get the benefits of secondary training. The Government had also doubled its grant to the University of Sydney. Holman emphasized that, apart altogether from works required in the country districts, it was necessary to keep pace with the rapid growth of Sydney. Both an underground railway and a bridge or tunnel connecting the north and south sides of the harbour were vitally necessary. Finally he dealt with the success of the State enterprise in connexion with brick-making.

During the recess, Holman found time to attend a large meeting of protest at Sydney against the Cricket Board of Control insisting upon a condition which precluded six of the great Australian cricketers from visiting England for the triangular cricket series of 1912. This was a popular move. Next he roused the ire of some Sydney editors by affirming the necessity of signed articles in order to raise the standard of journalism. "When a brilliant leader is written," he exclaimed, "pulverising some hostile doctrine, the public ought to know this is not a *Daily Telegraph* leader, but a piece of writing by Mr Courtney."² He added:

If the journalistic profession is ever to rise to the height of its allied professions, the journalist should no more desire the right to sell his brains to the highest bidder regardless of the use to which they are put than the men of other professions. The politician is rightly expected to maintain a certain consistency and a certain freedom from purely sordid considerations in the advice which he gives to the public upon the occasion of a crisis. Even in the legal profession, a lawyer may not advise wrongly on a question of law nor argue in a court what he knows to be absolutely bad law. The journalist is the last of the professional men who claims the right to act free of all the restrictions of professional ethics. In asking him to abandon this right, however, those who advocate signed articles propose in place of it a very important and I think more compensating advantage.

This speech of Holman's at the Press Association was published in the *Daily Telegraph* with the following *ipse dixit* by Mr Courtney: "The address showed that Mr Holman has a ludicrously imperfect knowledge of the functions of a newspaper and the manner in which it is conducted. Ed. D.T."

The session of 1912 opened with the parliamentary position of Labour fairly secure. But weaknesses of administration were inevitable in a ministry whose members had experienced so much shuffling and reshuffling. J. R. Dacey had been elevated to the ministry, but a very short term of office terminated with his tragic death in 1912, Carmichael was at the Treasury for only a few weeks, and in September 1911 he succeeded Beeby at the Education Department. Thereafter Beeby held the portfolios both of Lands and Labour.

Macdonell had died in 1911. The only offices held unchanged throughout the Parliament of 1910-13 were the attorney-generalship and the Works portfolio, held by Holman and Griffith respectively. In April 1912, at Holman's instigation, his close friend D. R. Hall resigned from the Federal Parliament and was appointed to assist Holman. Hall was made Minister for Justice with a seat in the Upper House.

The session of 1912 continued to the end of the year. In the course of it, the Legislative Council agreed to the Bill increasing the salary of M.L.A. from £300 to £500 per annum, the leader of the Opposition being granted an additional £250. The Act provided that all moneys not drawn within seven days after the close of any Parliament should revert to the Treasury. While a large number of Opposition members opposed the Bill in the Lower House and refrained for a long time from drawing the increased allowance, only a few of them were able to resist collecting their accrued arrears as the time approached when these sums would be re-vested in the Treasury. In effect, most of them had merely used the Treasury as their savings banker.

Permanent provision was made by legislation for the financial control of the State undertakings which were gradually becoming the outstanding feature of Labour's administrative policy. The scheme adopted was to make each undertaking a separate venture and to submit its accounts to Parliament upon a footing analogous to that of a private undertaking.

One of the features of the session was the passing of the University Act which gave to graduates a measure of control over the University of Sydney, increased the endowment thereof, provided for evening tutorial classes, and established exhibitions, the number of which was to increase with that of the population. Holman also passed an Act limiting to 150 feet the height of buildings in the fast-growing city of Sydney. Such a Bill seemed hardly capable of interesting treatment by a speaker, but Holman dealt with it in brilliant manner, referring to the fact that, in some American cities, the skyscrapers caused "sunless caverns to which the light of day penetrates hardly at all, perpetually in the shade and perpetually in the cold".

At last the Upper House passed the Bill providing for the establishment by purchase or otherwise of State coal mines and giving power to the Government to conduct the business of coal mining. The Upper House also amended, but ultimately passed, a Gas Act which provided for the regulation of the price of gas and for the control of dividends and the issue of shares in the existing companies which held the practical monopoly of gas supply in the metropolis. Here the companies seemed too strong to permit of recourse to nationalization.

But although a fair list of measures was passed during the session, the Council was becoming more and more hostile. When it did not amend, it threw out Bills altogether, and in this congenial task it obtained assistance

from several of the recent Government nominees. The Bill limiting to eight hours a day the time coal-miners were to be underground was rejected, as also was an Early Closing Bill. A Bill for amalgamating the two savings banks in order to create a stronger institution was defeated, and a Shearers' Accommodation Bill was shelved. The Upper House rejected a Bill providing that tenants should obtain a share in the value of the improvements they effected.

Most important of all, the State Iron Works Bill was not proceeded with in the Upper House. This Bill had been carried through the Assembly by large majorities—well in excess of the small Labour majority.

Messrs. G. and C. Hoskins were manufacturing iron at Lithgow. The Government appointed an English expert, F. W. Paul, to report on the possibilities of developing the iron and steel industry in New South Wales. He was satisfied that at Cadia alone there were deposits in such immense quantities and of such suitable quality as would warrant the necessary capital outlay for manufacturing the whole of the steel requirements of the Commonwealth. He also advised that the existing agreement with Hoskins was not beneficial to the State.

Action was taken by the Government to cancel the Hoskins contract—a course which was practically recommended by the Royal Commissioner. The Labour movement was now demanding, and public opinion seemed to support, the carrying into effect of Plank 6 of the platform. But it was not until February 1912 that Holman, Griffith and Beeby were appointed by Cabinet to go into the whole matter and bring forward a practical scheme. Then Delprat, the brilliant manager of the Broken Hill Proprietary Company, decided upon the establishment by his company of steel works at Newcastle, New South Wales. In May he informed the Government that the company had determined to erect iron and steel works in connexion with their Iron Knob (South Australia) deposit. On 13 May he wrote a typical letter in which he politely but definitely pointed a pistol at the Government's head. On the whole it would pay him to establish the works in New South Wales and carry the ore to the coal. Still he was in doubt whether it would not be better to erect the works in South Australia and carry coal to the ore. The advantage of selecting New South Wales was "not very great". Such as it was, he said: "We would forgo the advantage if we found that the New South Wales Government would view with displeasure our establishing this industry in New South Wales, having regard to their own reported determination to erect similar works there."⁸ Delprat therefore wished to know:

1. Whether or not it would be against the wishes of the New South Wales Government if we established works in New South Wales.

2. Whether we might look forward to a "fair deal" from the New South Wales Government in supplying them with materials of our own production, in case our prices compare favourably with others, including the New South Wales steelworks.

3. Whether the Government would be inclined to give us an extended lease on Government land—supposing that we selected Government land for our purpose.

4. Whether we could count on the goodwill of the Government to assist us in a friendly way—but this does not mean financial assistance or concessions.

As our steel expert is now on the spot, and has only a limited time at our disposal, we would be infinitely obliged if we could get a speedy reply. We have very little time to lose.

Immediately the Labour Government was placed in a difficulty. Newcastle, which was certain to become the Broken Hill Company's New South Wales site, was a solid Labour Party area. As Maitland coal was gradually ousting that of Newcastle, the latter city was threatened with a trade decline. But it would be helped enormously by the establishment of the steel industry. Moreover, the Newcastle bloc of Labour members would resent any postponement of a decision pending the investigation of the probable cost of a nationalized steel works. Finally, in reply to Delprat, the Government answered that it was part of their policy that the production of iron and steel should be a nationalized industry; but that "any industry that may be established in the State of New South Wales will receive encouragement and consideration from the Government".

After further negotiations an agreement was reached on 27 December subject to ratification by Parliament. When Griffith moved the second reading of the Bill to ratify the agreement, some Labour members protested that it practically annihilated Plank 6 of the platform. Finally the Bill was referred to a Select Committee which reported in its favour by four to one, Grahame, a Newcastle Labour member, being one of the four.

Upon the resumption of the debate of the Bill in the Lower House, there was considerable opposition from several Labour members. But others contended that, owing to the absence both of money and iron deposits, there was no reasonable prospect of the State establishing the industry at an early date. Fitzpatrick, a Liberal, described the Labour members' discomfort by comparing them to eels on a griddle. Finally, the Bill was carried by 51 to 14. As 31 members of the Opposition voted for the measure, the Labour Party had divided 20 to 14.

Holman did not regard the commencement of the Broken Hill Proprietary's operations as necessarily precluding the establishment of a State enterprise. He went thoroughly into the matter and still recommended the resumption of Hoskins's works with a view to partial reconstruction and the early

commencement of a State industry. His analysis of the expert's report was that the Lithgow blast furnace could be run with considerable profit to the State.

Holman also considered that, as a site, Lithgow would bear comparison with any situation on the coast north or south of Sydney and that the Cadia ore deposit would be an excellent source. Further, from a strategic point of view, Lithgow's position was infinitely safer. At the end of 1912, when about to leave the State, Holman was anxious that final steps should be taken to test the Cadia deposits with a view to immediate Government resumption. After an analysis of all the figures, not excluding those that Delprat might be expected to achieve at Newcastle, Holman concluded that, subject to the Cadia deposits being found satisfactory, the Lithgow works could be nationalized with an ample margin of safety.

Early in 1913 the Labour Conference strongly censured the Government for assisting to establish the Broken Hill steel enterprise, which in its opinion would turn out to be a pernicious monopoly. The vote was 104 to 42 and the Government's argument that a caucus majority had favoured the Bill was rejected because of the specific plank of the party's platform. Hughes, who was present, definitely asserted that the Broken Hill works would, in the end, amount to a monopoly, "the very thing the Federal Labour party was fighting".

Early in 1914 Holman, speaking at Lithgow as Premier of the State, said that:

It looked as if the finger of Providence had pointed at this spot, and as if it was to be a centre of a mighty industry like this, and there was, of course, finally the consideration which no Government could ever overlook or hesitate for one moment to give immense weight to, and that was that the Lithgow works were actually in being, not dealing with raw material brought from a distance of fifteen or sixteen hundred miles, but dealing with raw material obtained almost on the spot, works which had long been managed with a large and gratifying measure of success, which were now in process of growth and development as a result of the enterprising control of the past few years.

But in August 1915, less than three years after Delprat got his Bill through, the Broken Hill Proprietary proceeded to execute large orders for steel rails both from the Commonwealth and the New South Wales Government, and in 1919 the cost of production was less than half the cost of imported steel. In the year prior to the war of 1914-18, over 60,000 tons of steel had been imported. During the war the oversea sources were otherwise tapped, and, but for the Broken Hill Proprietary works, iron and steel for constructional purposes would not have been obtainable in Australia.

During the war Holman also encouraged the manufacture of munitions at the Broken Hill Proprietary works and the State iron works proposal was

gradually forgotten, rather than formally abandoned. Whether the Government acted wisely in connexion with this foundational industry is another question. But, even if the works had been established, and had proved a great economic success, it is quite possible that, in the course of some change of Government policy, interested persons would have been able to find some fault with "State socialism" and the works would have been closed down or disposed of either to the advantage of, or to lessen the detriment to, private enterprise. One of the great tragedies of Holman's political career was the ultimate closing down or sale by non-Labour Governments of State enterprises which had proved to be of very considerable value to the public.

CHAPTER XXXVII

WANDERLUST

TOWARDS the end of 1912 Holman's health gave him some concern. He was run down and his condition was aggravated by dissatisfaction with his own status and prestige. For over ten years he had borne the main burden of party leadership. He had been loyal to McGowen; but McGowen seemed to accept the perquisites of the premiership without any realization that, but for Holman, he would probably never have been Premier at all, and certainly the Government would have fallen during his Coronation visit. At the same time, Holman was very anxious to look at England from the special angle of a Londoner who has made his mark abroad. An idea which appealed to him with growing force was to become Agent-General for the State and subsequently to enter English politics. There is no question that he would have succeeded in the House of Commons. He had all the necessary qualities and he would have been a great asset to the parliamentary Labour Party in England, or even to the Liberals, whom they then supported. As it was, the character of New South Wales politics had become more and more strenuous and Holman, never a man of exceptionally strong physique, found it hard to stand the strain. Despite his ability, Speaker Willis remained a source of some embarrassment, especially when he forbade the reporters of the *Daily Telegraph* all access to the newspaper gallery of the Assembly. Holman's coolness in manoeuvre saved the nasty situation which supervened and the rights of the newspaper were restored without Willis's being humiliated.

But other troubles were also threatening. And Holman became more and more intent upon getting away from Australia, even if only for a short period. He knew that the year 1913 would be one of personal crisis if he remained in Australia. Early in 1913 the Federal elections would be fought and the re-submission of the referenda would inevitably lead to further attempts to discipline him: for "failure to support" was to be penalized as much as active opposition. Towards the end of 1912 the newspapers again revived rumours of a coalition in State politics, the *Sydney Mail* suggesting on 14 August that Beeby, Holman and two or three others might be ready to join with Sir Joseph Carruthers to form something in the nature of a Centre Party. Some such idea had often suggested itself to tired Labour leaders anxious for lotus days of contentment and repose, undisturbed by the demands of caucus, executive or conference. In August Mrs Holman and their small daughter left Australia for an English visit. Their absence greatly accentuated

Holman's nervous depression. He suffered from insomnia and was laid up with two severe chills. At the crucial period in his life Holman met and was entertained by Hugh D. McIntosh, later M.L.C. and president of the British Empire League. McIntosh was a most extraordinary character. He had first come into prominence as the promoter of the world's championship heavy-weight boxing contest between "Tommy" Burns and Jack Johnson, the negro challenger. A special stadium was built at Sydney, and when the principals failed to agree upon a referee, McIntosh himself officiated. He graduated from boxing entrepreneur to vaudeville promoter, theatre proprietor and newspaper magnate. He had an extremely forceful and stimulating, and by no means unattractive personality which seemed to appeal with something of the power of opposite qualities to Holman's gentle and almost shy temperament. From this time onward, for many years, Holman remained on terms of close friendship with McIntosh.

Holman's letters to his wife show that he was very anxious for a complete change both in status and environment:

I have every hope of coming over to join you after Xmas. It is impossible to say definitely yet, but I have already moved and fairly effectively, to that end. It would not do, at present, to jeopardise the larger chance by any public demand of the smaller boon. But if I have to elect definitely I shall plan for the certainty.

A fortnight later he was optimistic: "I have no reasonable doubt that I shall be getting away for England in the course of a few weeks." Negotiations for his translation to the Agency-general had been placed in the hands of Beeby and Black. But they did not proceed as smoothly or succeed as rapidly as Holman wished, and his mind turned to the possibility of returning to the premiership after a lightning visit abroad. He wrote:

This last two or three weeks I have been, I fear, living in a fool's paradise about the McGowen business. (In any competent hands it would have come off, but Beeby is hopeless.) I have more or less regarded the thing as done—or doing, and have assumed that I could not get away to England. Now that I am awakened to some extent from that, I still shrink from finally throwing up the sponge. I am at present in a state of fundamental indecision and you know that, to me, that is always a state of agony. I really believe that my wretched sleeping of this last month is largely due to this perpetual uncertainty in the subconsciousness.

Holman hovered between a desire to become Premier and leader of the party and a desire to be appointed Agent-General. He wrote:

There are still three possibilities. (First) the Premiership. If this has to be definitely abandoned, then we have (Two) Agent-Generalship. (Three) remaining here as future leader (with a Government or in Opposition) but

trying to work in a short run to England early next year. These three things are still revolving furiously in my mind night and day. I am bound to decide shortly.

But his anxiety still remained and he reported how D. R. Hall was to interview McGowen:

Nothing is yet finally settled. Everything is still in the melting pot. As you know, I have defined the problem as one of psychology—not of politics. Well, the meeting which was held last week but one was a failure—politically—but I am disposed to think now had a great effect psychologically. But if the decision is not arrived at within the next week or ten days, I am a definite starter for the Agent-Generalship. Hall (who has really stood by me all through) is putting the whole case to Jimmy within the next two days. Either Jimmy must undertake to resign immediately after the Referendum, in which case I will come home on a flying trip, or I will take the Agent-Generalship and Hall will run for Cootamundra!

But, "Jimmy" McGowen was not so easily managed. Holman was angry with Beeby for not having arranged everything smoothly; but Hall, Black, Hoyle, Dunn and others were also involved in the affair and it was no easy task to tell the old leader that it was time for him to make way for the young one.

Meanwhile the political situation of the State Government was not improving. Later, Holman said:

By the closing weeks of 1912 our position had become extremely difficult. Hardly any of our legislative pledges to the industrial side of the movement had been fulfilled, and while the unions were becoming more and more irritated and impatient, the driving force had somehow gone out of us. The Federal amendments were to be put to the test of a further referendum again early in 1913—this time on the day of the Federal election, and the difficulties between ourselves and the following Conference were bound to be greatly accentuated. My duties as Deputy Leader had, during the past two or three months, almost ceased. Legislation was being forwarded, if at all, as the result of the private enterprises of individual ministers, and not of any direction of mine. Ominous splits were appearing in the party, and my own proposals for repairing them found no acceptance. On the whole, I was out of sorts with myself, the party and the world.¹

Another difficulty was threatening. Beeby was becoming more and more enamoured with the idea that the time was ripe for the formation of a great party which would "embrace the moderates of all sections". The phrase was not Beeby's own, but it sufficiently expresses a frequent aspiration of radical politicians who are discontented and dissatisfied with their own colleagues, rather than with themselves.

Holman tried to persuade Beeby that the idea of a centre party was a delusion of "wishful thinking" and that not a single member of Parliament would desert his own organization to start out on such a forlorn hope. Holman's idea was that Beeby should become deputy leader if he (Holman) became Agent-General or Premier. On 2 December Holman wrote to McGowen making formal application for the position of Agent-General and indicating that D. R. Hall was prepared to resign from the Legislative Council in order to run for the Cootamundra vacancy:

My own proposal would be—subject of course to the approval of Cabinet—that I be sent to England at once on the financial mission recently suggested by Mr Coghlan in order to give me an opportunity of seeing whether I could bear the English climate in January and February before the appointment is finally made, and that if everything is satisfactory, I may be then appointed. I would either return to Australia to assist in the by-election and then go back to my permanent appointment or would remain in London and look after the financial affairs of the Government as the Cabinet might wish.

On the following day Holman wrote a private letter explaining that he had sent a copy of his application to every minister, and had asked for a Cabinet decision in order to "force the hands of the procrastinators".

Then came a thunderbolt. In the middle of Holman's nerve-racking negotiations, his friend and colleague Beeby resigned, not only from the Cabinet but from Parliament itself. Few of the ministers had the slightest warning of this move. Holman, although he knew of Beeby's discontent, was on a visit to the South Coast, little suspecting that discontent would flare into open action. From a wayside shop Holman obtained a newspaper and there learned that Beeby was leaving him, or, to add the Press comment, "quitting the sinking ship". Holman immediately wrote to McGowen:

I have just returned from Thirroul where I have been spending the weekend and have heard the—to me—amazing news of Beeby's resignation. He had often discussed the possibility of his resigning and with increasing emphasis of late as a result of certain action taken by some of the outside sections of our movement, but he certainly never discussed it as an immediate possibility. I had no idea that anything of the kind was pending. Under these circumstances I withdraw unreservedly my application for appointment as Agent General. I do this in the broadest way without limitation or condition of any kind. I feel that in the face of a blow like this all the members of the Cabinet must stand together.

Not only was Beeby's resignation in. Nielsen, who had been sent on an official trade mission to California but had retained his Assembly seat, now cabled that he was forwarding his resignation to the Speaker and that it would reach Sydney in a few weeks. In a letter Holman said: "The double

catastrophe has driven our men crazy." He himself was furiously angry. To his wife he wrote:

By this mail I have to send you the most depressing news I have ever sent. I have failed utterly in my application both for the Agent Generalship and for the trip home. I am so incensed that I think of resigning and would do so if it were not for the awful question of cash.

Now I feel utterly broken up. A mob like that are not worth being associated with. If it were not that I recognize the folly of indulging in anger when there is no means of giving practical effect to it, except in a manner which hurts yourself, I could be most passionately angry at this moment.

But within a fortnight a miracle had happened and Holman, who had abandoned all hope of his trip abroad, was on the point of sailing for England. He wrote:

I am really starting in two days for Europe. I cannot understand it or realize it. It was a mad resolution on my part, but the fullness of disappointment would have been so bitter that I took full advantage of an offer of McIntosh's and rushed it. It is O.K. If we have luck I can repay him by degrees, and if not, he says it doesn't matter for ever.

At a moment's notice, Holman had accepted an offer from McIntosh to advance enough money to cover the expenses of a visit abroad, Holman believing that after his return he would succeed McGowen in the premier-ship. "I am going," he said, "to give myself up to two months' absolute forgetfulness of all worries and all disappointments and all bitternesses."

Holman decided to sail by the French Messageries Maritimes line. He would be well out of it. A by-election would take place for Beeby's seat, and he would not be there. This would save him heavy work and it would save him embarrassment. For, on this occasion, Beeby was to be opposed by an official Labour candidate. So with Nielsen. An able man, he had been sent to America to investigate the problem of adapting in Australia the system of handling wheat in bulk. Holman had been assailed for the appointment, but had vigorously defended it. Now there might be a struggle, even to retain Nielsen's fairly safe seat. But Holman's luck had changed. By the middle of February 1913, when he was in Europe, Labour had retained Nielsen's seat. Further, after a second ballot between Beeby and the Liberal candidate, Beeby had been re-elected. He had obtained official Labour support on his expressly undertaking that, for the rest of the life of Parliament, he would not vote to put the Labour Party out of office.

Holman's visit to England seemed to result in a complete restoration of his nerve and health. This was largely due to the long ocean voyages. It was not an accident that he had chosen a French liner, for now he was a fluent speaker of the language. In England, he renewed the pleasure-pain

associations of his early youth. The rediscovery of London for a returned immigrant was a theme to which he did full justice. His tour was somewhat hurried, but, during the course of it, he came into close touch with Asquith and Haldane, the two outstanding leaders of the English Liberal Government. For the latter, he conceived a special admiration which developed into a relationship of almost personal affection. He also met Ramsay MacDonald and Snowden; but in those days the former was more socialist and critical of Australian gradualism than he subsequently became. In England Holman felt irritated by what he called "the emptiness of so much public activity". In a Press interview he said:

"I have been here for some four or five weeks now, and nothing has been done yet in Parliament. We regard Parliament as an institution for passing necessary legislation not for merely beating the air." Asked as to the best method for producing this, Mr Holman said: "Of course, that is quite an impossible question to answer. Personally, I think nothing can be done until there is a general demand for better results. This demand can only come from a more enlightened democracy."

The irony of such a complaint was that it accurately stated the opinions of many Labour supporters in Australia who were always demanding better results from *their* representatives. Holman was not unconscious of this because he told an English audience: "You will never get better things until the people themselves want better things. Even within the Labour movement in Australia we find that unless the members of the rank and file feel the necessity for some big change there is very little to be done for it."

In England Holman avoided official functions so far as possible. He was able to recreate his spirit on a long walking tour in the Lakes District. He was received in audience by George V, who spoke to him with refreshing frankness about the Government House affair. Since that day the Government House at Sydney has continued to be the official residence of the King's representative in New South Wales (as distinct from the Commonwealth). It is a fair inference that both the King and Holman were satisfied with the result of the audience.

CHAPTER XXXVIII

PREMIER OF THE STATE

Two events which occurred in Australia during Holman's absence abroad had a very important effect upon his immediate career. The first was a sudden strike of employees at the two large Sydney gasworks. This took place in February 1913. At the time an industrial award was in operation. McGowen was concerned and offered to submit the claim—an increase of wages from 10s. to 11s. per day—to a special board, the gas companies having undertaken on their part to make up retrospectively any increase of pay awarded by such a board. The employees refused the offer and the strike lasted for nearly eleven weeks. There was a great deal of consequential unemployment in other industries, and the general public was annoyed and irritated with the Government. Finally, McGowen threatened that, if there was not an immediate return to work, the Government would call for volunteers to replace the strikers.

McGowen was brought to face the fact that his leadership had become a nullity. Throughout the dispute the workers had ignored both his advice and his threats. McGowen therefore decided that at a convenient moment he would resign the leadership to Holman. This decision was hastened by the fact that a large section of the caucus had expressed the opinion that only Holman could lead the party to an electoral victory in 1913.

The second occurrence of peculiar importance to Holman was that, at the Federal general elections held in May 1913, the Fisher-Hughes Labour Government was defeated, albeit by the narrowest possible margin. Moreover, the constitutional proposals which were submitted simultaneously with the poll for the general election, were again rejected. The result showed that, although Hughes's anticipation of a largely increased Yes vote was correct, the increase was insufficient to secure the adoption of any one of the six proposals submitted to referendum. Probably the defeat of the Labour Government was contributed to by the conjunction of referendum with the general elections.

Joseph Cook became Prime Minister of Australia. But his majority was even smaller than that of McGowen, for, after being compelled to place a supporter in the speakership, he was entirely dependent in the House on the Speaker's casting vote, and in committee on the Speaker's vote as an ordinary member. On the other hand, Labour still retained a very large majority in the popularly elected Senate. The defeat both of the referendum proposals and of Holman's Federal colleagues seemed to imply that serious opposition

to the State party from the Hughes-A.W.U. quarter would be postponed for three years at least.

McGowen's resignation followed closely upon the defeat of Labour at the Federal elections, and Holman became Premier of New South Wales on 30 June 1913. At the moment, the Labour outlook in New South Wales was extremely bleak. There had been a serious loss of Federal seats held within the State. Yet, as though by magic, Holman immediately infused a very different spirit into the party. At a great civic banquet tendered to the new Premier, McGowen paid a well-deserved tribute. He said that:

The Ministers associated with the Premier were proud to hand over the leadership of a devoted party to a man who, as they might say as schoolboys, started away from "taws" and did not fudge, and reached his pre-eminence by sheer energy and the utmost ability. They were proud to hail him as a leader also as he was one of the boy students of their movement and, as he took the Premiership, was one of the youngest men to hold such high office in New South Wales. The ex-Premier, remarking that there was a feeling current amongst a certain section of Labour that Mr Holman was not altogether in sympathy with their movement, pointed out that at the time when he won his first brilliant success at the Bar examinations, it was urged that he should devote his singular attainments to the profession for at least five years before taking up a political career. Mr Holman, however, was proof against the temptation, and remained always a bright star in their constellation, until today he had attained such eminent rank in the movement which his capacity had helped so much to make.

Holman's speech in reply was excellent. But he struck a note, the irony of which is now very evident:

There were many of them in the Labour movement who lost considerably by their connexion with it, but as far as he was concerned, and he said it from the depths of his heart—that when he was no longer able to be in politics as a member of the Labour movement he would drop out of politics altogether. There were many men present for whom he had the profoundest respect, but who did not see eye to eye with him politically. "But," Mr Holman continued, "I am expressing myself in the plainest possible terms. I am nailing my colours to the mast. I have sailed under these colours for 20 years and I propose to sail under them for the future."

A very affectionate ceremony of welcome was tendered to Holman by his Labour supporters. Even today a souvenir programme of the function may be found, treasured by old Labour stalwarts, bound with faded ribbons of white and blue—the colours of New South Wales Labour in politics.

Upon the death of a member of the Liberal Opposition, a by-election had to be held before the re-assembly of Parliament for its last session. Holman

visited the electorate and made a curious reference to the expenses of his visit to England:

Mr Wade did me the honour of saying that I had visited England and that my expenses were being paid by the Government. When he was challenged over it, he simply took refuge in the fact that he did not know whether I was or not being paid by the State. Under those circumstances, knowing absolutely nothing about the facts, he thought himself justified in making any statement that came into his head. That is Mr Wade's idea of the responsibility of a leading statesman. I have no doubt that, if he got negative evidence, he would feel himself bound, as a man of conscience and honour, which he constantly assures us are his guiding principles, not to make an assertion when that state of facts existed; but apparently he feels himself entirely free where he knows nothing to say anything.

Although the seat was a Liberal stronghold, Holman succeeded in reducing the Liberal majority.

The session of 1913 lasted from 22 July to 14 October. From the first, Holman realized that, with the general elections so near, the Upper House would be unwilling to assist in passing any vital industrial legislation. But he succeeded in getting through some important amendments of the Coal Mines Regulation Act and in passing an Act authorizing the construction by the State of a floating dock at Newcastle; and useful work was performed when an enormous body of Crown lands enactments were consolidated into one Act. For the rest, the Upper House threw out nearly every Bill sent up to it. For instance, the Assembly passed a very important Closer Settlement Bill which provided for the imposition of a tax upon land suitable for closer settlement and situated within a short distance of the railway lines. The Legislative Council would have none of it. It also rejected the Eight Hours Bill as well as the Fair Rents Bill which authorized the fixation of the rentals of small dwelling houses. The Shearers' Accommodation Bill was so hacked about in the Upper House that the Government threw it under the table. The Council also shelved a Bill authorizing the construction of an underground railway within the city area.

Holman, anticipating this attitude, practically converted the Assembly into a forum from which he addressed the electors of the State rather than Parliament. At the opening of the session Willis resigned the speakership. But another Opposition member accepted the position and was elected without any repetition of the disgraceful scenes of 1911. Wade moved his inevitable vote of censure; and Holman, instead of replying at once, secured an adjournment in order to prepare what was to be, in substance, an address to the electors. As he stated later:

A day full of tense emotion and of regrettable incidents ensued among the Departments. The heads discovered anew certain disturbing differences

between me and the old Chief and the machinery buzzed with returns and figures in response to my urgent demand. In the evening, before a crowded House, I was able to make a full statement of the actual performances of the Government. This was the first time it had been attempted. Up to that moment, supporters and critics alike had known us almost entirely by our legislative doings, and for a long period these had been negligible."

At every point, Holman demolished Wade's attacks. He easily answered Wade's complaint that the State Labour Government should resign because of the adverse Federal election figures in New South Wales. Holman said that Wade's amazing suggestion had never commended itself to conservative State Premiers after a Labour victory had been gained at a Federal election. Holman made much of the fact that, so far as State politics were concerned, the Labour vote had been increased at the by-elections even in Liberal strongholds.

Even the unsympathetic *Sydney Morning Herald* seemed amazed at the high levels which Holman's speech reached. In an able sketch it said:¹

Mr McGowen is too good-natured, too much afraid of offending the susceptibilities of his friends on the Opposition benches—for he is friends with everybody—to deliver biting words that fall so easily from the lips of the new Premier. Mr Holman, when he sets out to smite the Philistines, smites them hip and thigh—and relishes it. He begins slowly, nervously, but warms up as he goes, till the words come from him like a rushing torrent, and the Chamber listens to him out of sheer love of his eloquence. The days of oratory, it is said, are past—but Mr Holman remains.

While Holman was using Parliament as his main forum, he was not neglecting the other essentials of electoral success. The president of the Political Labour League for 1913 was Ernest Farrar, M.L.C., himself an experienced organizer. He and Holman at once entered upon the detailed organization without which victory would be impossible. Holman expressed thus his opinion of previous organizing efforts:

The selection of candidates was carried out under equally iron-clad rules, equally without the slightest regard to the campaigning value or fitness of the men chosen. The good Catholic would be chosen for a Protestant stronghold, the stalwart industrialist for a fashionable suburb, the Sunday school teacher (if he could win the ballot) would run for a rationalist and sport-loving mining field. For a man to get the majority of votes in a selection ballot, completed the circle of his qualifications. No others were enquired into or called for, and the percentage of cases in which round holes were fitted out with square pegs was a point about which nobody troubled.²

Before the general election campaign was officially opened, Wade launched a very serious attack upon the Government. He impugned the purity of Grif-

fith's administration of the Works Department. Twelve months earlier, two Liberal members had publicly attacked Griffith in relation to four administrative actions of his department. On that occasion, at Holman's instance, a Royal Commission was appointed to investigate the question whether Griffith had been guilty of any corrupt practice in connexion with any of the four matters. When the Royal Commissioner (Judge Edmunds) opened the sittings, both the Liberal members attended, and one of them announced that neither in Parliament nor then did he make any imputation against the honesty of the minister. In the House, the other member (Henley) had said:

The honour of Parliament and its members is at stake, and we want to know the truth. We find the same syndicate operating everywhere that public works are being carried out, and deriving advantage from public expenditure. This is all very suspicious. It is of no use for the Minister to say "I have no shares or particular interest in this or that." We are not so simple as to be imposed upon in that way. There is such a thing as having an interest, and someone else holding it in trust for you.³

The judge rightly concluded that this speech had made imputations against the integrity of the minister. However, Henley explained that he intended to attack only the wisdom and policy of the Works Department and could furnish no evidence of improper conduct. The Royal Commissioner then reported to the Governor that there was no evidence whatever which reflected upon Griffith.

The fact was that Griffith had been very active in carrying out Labour's policy of developing State enterprises. In doing so he had mortally offended many powerful interests. Whether for this reason or because of personal rancour between himself and Wade, he became the focal point of the most violent Opposition attacks. And now, at the very end of the last session of Parliament, Wade directed a new attack against him.

Wade's first complaint was very peculiar and needs a little explanation. It appeared that Griffith owned a small piece of land in the Blue Mountains town of Medlow. A proposal had been made that a tourist road should be opened to certain points in the district. The proposal came before Griffith's department but it was immediately turned down. Wade's manner of using this incident to create colour against Griffith was highly original. He said:

If the Government decides to open this tourist resort and take a road by Medlow station, that will not go near the land in question; but if this short cut be made and a bridge be made over the cutting and a road formed directly from the bridge to the tourist resort, the road will go along the edge of part of this property.

MR GRIFFITH: The request was turned down definitely two months ago.

MR WADE: The mere fact that the Minister has the power of spending money in effecting improvements which will enhance the value of properties

including this property precludes him from buying one single bit of land in that locality that may be improved by the spending of public money. He allows himself to be brought into conflict with two issues—his public duty and private personal benefit. Those are the chief features of the case.

It is obvious from this extraordinary argument that Wade did not allege that Griffith had spent or even proposed to spend any public money which was likely to appreciate the market value of the land; though Wade incidentally contended that a minister should never authorize expenditure which might possibly improve the value of property he owned. Wade's argument was this: that a minister was blameworthy for *rejecting* a proposal which, if accepted, would or might have increased the value of his property! Such an argument could have been torn to pieces by the junior member of any reputable debating society. In fact, it was torn to pieces by the foremost debater in the country, for Holman, rising immediately, refused to allow Griffith even to answer this particular "charge":

I say now that I must express my indignant protest at the wasting of two hours of Parliament over the miserable procession of shreds and tatters of suspicion which the hon. member has paraded before us tonight. Never before have I seen Parliament degraded to the level to which it has been degraded tonight upon such baseless patches of suspicion as the hon. member has put before us. The time has arrived when somebody should tell the hon. member that he has not been made the censor of morals in this State, that he has no right to stand up and assume that the public look to him to say who is innocent and who is guilty. The hon. member has no right to take for granted evil motives or evil conduct on the part of a member of the ministry. He has to prove it. He cannot make an assertion and ask us to disprove it. This kind of tittle-tattle which we have heard for hours is no ground for an hon. member to be asked even to explain his conduct.

Then Holman concluded:

Has the Minister spent any public funds in the neighbourhood? Not one farthing. There is no sign of it. Does he propose to? No. Here is his minute definitely turning down the proposal for a bridge months before this idea of censure was heard of. Are hon. members not to purchase land? Are we to be shut out of the ordinary rights of citizenship? Is that the doctrine of hon. members?

Wade's argument was so puerile that the inference was that he intended to injure Griffith in his private, not his public, capacity. In other words, Wade's real object was not to expose any actual or threatened misuse of public funds, but to rake up some private scandal which he hoped would cause electoral damage to the Government and pain to the Minister. It could have been for that reason only that he pressed his absurd Medlow "complaint".

He then specified other cases in which, according to him, Griffith had misused his position as minister by spending public money for the purpose of increasing the value of lands of which he was the beneficial owner. In the end, Holman came to the conclusion that Wade could best be answered by the appointment of another Royal Commission; and on this occasion Mr Justice Pring, most prominent of the common law judges, was chosen. But the terms of the commission were drawn up so as to make it mandatory for the Royal Commissioner, in the first instance, to investigate as a preliminary question whether there had been an administrative decision of Griffith as a result of which the value of neighbouring lands had been increased. Holman omitted the Medlow matter from the scope of the inquiry. But had he included it, he would certainly have insisted that, before Wade was allowed to "fish" into Griffith's alleged proprietary interests, he should first show that Griffith had authorized some expenditure which might possibly improve the value of such property.

When the Royal Commission was convened, Wade complained of the non-inclusion of the Medlow matter. Mr Justice Pring, not to be put off, asked him whether he desired to tender any evidence upon the other matters to which he had referred in his speech, and which were all specified in the commission. Wade had to admit that he had no evidence to furnish. The commission then closed and the judge reported to the Governor that none of the imputations against Griffith had been substantiated. This result was a severe blow to Wade and a vindication of Holman's handling of a difficult situation. The *Daily Telegraph* blamed Wade for causing such a "lamentable fiasco", adding:⁴

We confess that the collapse of Mr Wade before the Commission placed the Liberal leader in no very enviable position. If that evidence was good enough to found a specific accusation in Parliament upon, it was good enough to have been placed before the Royal Commission when asked for.

Nor was Wade's final attack upon the Labour Government any more successful. It had been suggested to the Government that, in view of the great necessity for carrying out public works, a special arrangement should be made by the Government with the London firm of Norton, Griffiths and Company. The proposed scheme was that the firm, in addition to obtaining the necessary loan moneys, should be conceded the right of supervising certain works upon a percentage basis. As this involved taking certain functions of supervision out of the hands of the Works Department, it was certainly open to strong criticism. But Wade's attack in the Assembly completely overlooked the fact that, for the ensuing seven years, it would be vitally necessary to carry to completion great public works to which the State was already

committed. During their tenure of office, both Wade and Carruthers had neglected the maintenance as well as the development of the State's assets.

Again Wade came to grief. The foremost financial authority on the Liberal side—David Fell—openly attacked him for making dogmatic assertions on financial policy. Wade had not even discussed the matter with those members of the party who were familiar with the subject. Fell said that the previous Governments had completely underestimated the public works requirements of the State and the present position was that the harbour bridge, terminal wheat elevators, the city railway, the duplication of main railway lines, and the completion of the North Coast line, had become absolutely essential to the future of the State. £10,000,000 would be required for such purposes, and the State simply had to obtain the necessary finance.

Having demolished Wade's attacks in the House itself, Holman turned to the electors. His policy speech was delivered at the Sydney Town Hall on 14 October. He enjoyed a magnificent reception; the public seemed to have become almost infatuated with the interest and excitement of politics since Labour's rise to office in 1910. Holman recalled the pre-session speech which he had delivered during McGowen's absence at the Coronation in 1911: "Of eighteen items on the programme I then announced, thirteen have been safely accomplished, though in the criticism levelled at us the programme was referred to as impossible of accomplishment. Thirteen have been passed. . . ."

Outlining what he thought was the essence of the problem confronting the citizens of New South Wales, he advocated a planned economy. He proposed an active health and education policy, great schemes for developing the assets of the State, and the immediate carrying into effect of the industrial proposals which had been rejected by the Upper House. He then warned that body:

Give us your authority. Let us go into Parliament feeling that the people have placed the seal of their approval and sanction upon this programme, and we will see to it, I can assure you, that your will prevails, and that there shall be no block, no cog, no hindrance in the Constitution, to stand between the people's will and the Statute Book of the State. I can only ask you to trust us. Give us power, and you will see that that power will not be misused. Let us speak as your agents. Let us have behind us the immense moral authority which comes with the stamp of the people's approval, and I promise you there shall be no more measures, which have had your approval, rejected by the action of an unrepresentative Upper House.

Holman's policy speech was a call not merely to the sentiment but to the intelligence of the country. It was so attractive that a favourable result of the elections was confidently expected by Labour supporters,

CHAPTER XXXIX

ELECTORAL TRIUMPH

As the general election campaign neared the end, a question was raised that was dangerous to Holman's prospects. Early in November the Catholic Federation issued a circular to all candidates asking for an undertaking to redress a list of Catholic grievances connected with the schools and hospitals under Church government or patronage. Holman, wishing to avoid the danger of the elections being diverted into sectarian channels, immediately countered the move with a "private and confidential" letter to all Labour candidates. He suggested that each Labour candidate should answer the Catholic Federation's circular by a statement that the Labour Party had repeatedly forbidden the giving of pledges to anybody outside the party. He added:

Without going into details of the question, candidates might then assert that the Roman Catholic body may rely upon getting absolute justice at the hands of the Labour party. Just what will be done in regard to any particular question cannot be stated, as the matters referred to have not had the consideration of the party as a whole.

The main demands of the Catholic Federation were the following: (i) That State scholarships as well as State bursaries be made tenable at Catholic schools; (ii) the grant to each Catholic scholar of free fares to and from school; (iii) equal treatment of Catholic hospitals in respect of State subsidies etc.; (iv) the provision by the State of school material for each Catholic scholar; and (v) the appointment of a Royal Commission to investigate the whole question of State and denominational education. It should be added that, before Holman's letter was sent, the president of the Catholic Federation had interviewed him and expressed his general satisfaction with the attitude of the Labour Party towards Catholic claims and grievances; indeed the principle embodied in some of the Federation's demands had already been accepted in Labour's Bursaries Endowment Act which proceeded upon the principle of State assistance, not to the school, but to the individual scholar.

At once the *Catholic Press* opened fire on Holman's circular, describing it as "sly" and as providing "one of the most sensational and ugly incidents in a campaign that already has not been too clean". It went on to describe the circular as a "Machiavellian ukase" asserting that "but for the sinister nature of the circular conveying these instructions to Labour, candidates might gladly answer in a manner entirely satisfactory to the Catholic body". The

newspaper finished on a threatening note: "And the mischief of it is that so many of the innocents may have to pay for the leader's crime—that Mr Holman, in his fall, necessarily drags so many with him."

This was bad enough. But on Sunday, 23 November, Father O'Reilly, most ardent and eloquent of Catholic priests, very prominent in Catholic educational organization and actually appointed by the Labour Government to the Bursaries Board, launched a direct attack on Holman in the Cootamundra electorate. "Take it from me," he said, "that the eyes of New South Wales are on Cootamundra this minute. Not a Catholic in New South Wales but is looking at Cootamundra." He added:

I will take you a little further into my confidence. I have certainly for at least 12 years back been a Labour man to the backbone. I have voted the Labour ticket every election. In my own electorate this time I will vote Liberal because the Labour candidate there, who was asked the seven questions, has turned down the Federation, and fallen back on the secret and confidential circular; and further, because the Liberal candidate has answered five out of the seven questions in the affirmative. You might say to me, then, I am a deserter from the cause of Labour. I say "No, I am not, because Labour, as I take it, must be built upon a proper idea of true democracy." I won't believe that any man who says "No" to the justice of the moderate demands made by the Catholics is a friend of Labour.¹

Father O'Reilly boldly contended that the Catholic vote should be given to the highest bidder:

I said that, as far as I was personally concerned, I was on the market. I say it still. I have not the control of any vote except my own, but I am on the market every time. If I approach two political candidates, and one man gives me better terms than the other does, then I will make a deal with the man who will give me better terms, and to that extent I am on the market.

Holman was placed in a position of great difficulty and danger by this sensational attack, for at first it seemed likely to throw a balancing vote against Labour in dozens of electorates. But after considering all aspects of the matter, he determined that he must resist intimidation and speak plainly. Accordingly on the next day (Monday) he issued a manifesto in reply to Father O'Reilly. He re-stated his own position as that of an avowed friend of all legitimate claims of the Catholic Church. He denounced what he called "Catholic extremists", but repeated that he would always support all claims of justice and equity as between one section of the citizens and the organized community. Then his own thunder followed:

I wish, however, to take this opportunity of informing my constituents, and, through them, the State at large, that I and my colleagues are not prepared to hold office on the terms that we submit to sectarian domination. We

are the enemies of all sectarianism. We will resist sectarianism of every kind, as we have always resisted it in the past. If the price of our political success is to accept the dictation of denominational factions we shall be well content to accept failure as the more honourable and patriotic part. I have not been Premier for many months yet, and I am quite prepared to surrender the honour of that post, deeply as I appreciate it, if it can only be retained at such a price.

On Monday evening Holman spoke at Gundagai and made an even more pointed answer. He chided Father O'Reilly for his statement that he had voted Labour for twelve years.

The Gundagai meeting was very successful. The local Catholic priest had placed himself on Holman's platform, and was conspicuous in leading the applause. Further, in the second Catholic weekly the *Freeman's Journal*—were published many letters protesting against the attempt to swing the Catholic vote against Holman. Father O'Reilly retorted that, if he were residing in the Cootamundra electorate "he would certainly vote against Holman". But the great Irish feeling for Home Rule, and Holman's support of it in season and out of season rallied much Catholic support to his side. As one writer said:

Mr Holman, English of the English, of a long line of sailor Englishmen, espoused both causes as those of minorities from whom justice had been withheld. During his recent visit to England Mr Redmond and his entire party delighted to hail and welcome Ireland's champion in the person of Australia's brilliant statesman, and the leader publicly declared that on the great day of Home Rule's declaration, no guest would be more honoured than Ireland's consistent friend, William Arthur Holman.

Holman's frank attitude caused a reaction in his favour. It increased in strength. Having stood to his guns at the critical moment, his refusal to submit to pressure attracted support from unexpected quarters. At Cootamundra, his opponent, T. Spring, attempted to snatch at the Catholic vote by describing all the Federation's demands as reasonable and just; but this conversion appeared to be just a little too sudden. Then Wade blundered into the controversy. He alleged that Holman, having used the Catholic Church as a stepping-stone to power, now treated it as frivolously as he had treated every serious public question. If this was intended by Wade to be a sop to the Catholic voter, he more than withdrew it with his almost casual addendum that it would be "dangerous" to reopen the question of the Education Act. Wade's intrusion drew from Father O'Reilly his final comment: "I would like to tell Mr Wade that I consider his patronage quite as insufferable as that of Mr Holman." He added that the Catholic Federation had "smashed the Labour machine".

Father O'Reilly was wrong. On election eve Holman addressed no less than sixteen great meetings in Sydney areas. Although the early results of the polling did not seem quite conclusive, everything pointed to the probability of a Labour majority. After the first count, it was discovered that second ballots would be required in no less than fourteen seats; yet, of the remainder, Labour had already won 40 against the Liberals' 36. The constituency of Cootamundra had been enlarged to include Gundagai. Holman's figures showed a great improvement upon those of 1910. For the first time he polled 5000 votes. At Cootamundra town Holman won by 260, at Junee by 390, and at Temora by 99, the final figures being:

Holman, W. A.	5028
Spring, T.	4157
	<hr/>
Majority	871
	<hr/>

When, on the Saturday night of the poll, it became clear that the second ballots would finally determine the Government's fate, Holman immediately summoned all the interested Labour candidates and their chief organizers to a conference on the following morning (Sunday). On that day Holman's office was the centre of tremendous activity. A complete programme for organizing all the undecided electorates was carefully arranged; the best speakers were allocated, and a scheme of intensive canvassing set on foot. On the other hand, Wade acted as though the matter was one of no particular importance or urgency, and he allowed himself to forget about politics until the week-end was over. From the display advertisements in the Monday morning newspapers, it was evident that Holman had stolen a march. On the Monday evening, he commenced his week's speaking campaign in the city electorates, and that was to be followed by a second week of country campaigning. On the Monday, he addressed an enormous meeting at Waverley where Beeby, who had stood as a "Progressive" against both Labour and Liberal machines had found the electorate unresponsive to his phantom Centre party and had been eliminated on the first ballot. The theme of Holman's speeches became not so much reasoned persuasion as a trumpet call to the doubtful to rally to the victorious side of Labour. He gave his oratory full scope, carried the excited audiences with him. As a result of Labour rule, he said, there was a high school available to every bright boy. Even in the country districts Labour had provided the high school system. If the boy was at work there was a continuation school. If a workman wished to build his home, there was the Savings Bank scheme through which three-quarters of the cost might be advanced. If the country boy wished to go on the land, greater facilities now existed. The consumer of gas was protected

against exploitation. If employees were insufficiently paid they could approach the Arbitration Court. In this mood, and in the very special circumstances of an almost assured victory, Holman could not be resisted. The dangerous sectarian issue had disappeared from the picture. The physical and nervous strain imposed upon himself was great and the fortnight's campaign took great toll of his reserve strength. But the reward was spectacular; Labour succeeded in gaining the great majority of the second ballots and finished by winning 50 seats against 40 won by Liberals and Independents. Returning to Sydney after the final results were announced, Holman was greeted as victor by many thousands of supporters. In the enthusiasm of the moment, the secretary of the Parliamentary Party—Hoyle—boasted: "Give the Labour movement £10,000 and give Holman his head, and there will not be 20 Liberal seats left."

The extent of Holman's triumph was measurable by an immediate change in the attitude of his chief opponents. The Sydney *Daily Telegraph* had fought him with unusual vigour and bitterness; now it conceded him almost everything. On 20 December 1913 it described him as "the reinstated ruler" of the people's destinies. It admitted that his first mandate was "large as the wind withal", and that he was "in a strangely strong position of having his own policy and that of the Political Labour League to perform upon". Admitting the unequivocal character of Holman's charter, it inquired: "What will he do with it?" It struck a somewhat wistful note:

Perhaps it is not too audacious an assumption that the future will see Labour torn with internal dissension as just predicted by one of the commissioned officers of the party, and emerging therefrom refreshed and reinforced for progressive political peace on a sane basis.²

Holman had won the electoral campaign not so much by reason of Labour's past legislation as by reason of his own brilliant leadership, his able administrative policy and his undertakings as to future legislative reforms. From 1910 to 1913 the Upper House had always used the plausible argument that Labour's majority was so small that, in rejecting so much of the Government's legislation, it was merely insisting upon the production of more convincing proof of popular backing. Indeed this was the general principle upon which the Council had always purported to act, although it had often failed to apply the same principle to the legislation of conservative Governments. But now Labour's position was very different. Holman had been authorized to carry out an elaborate programme of social, industrial and rural legislation. What was to be his first step? Holman knew, none better than he, that although, during the earlier part of the three years' life of a Parliament, the Upper House was often willing to agree, its tendency to reject radical measures increased with the age of the Parliament. Accordingly

it was vitally important that the most contentious policy Bills should be passed at the earliest possible moment. For the same purpose it was equally essential that Labour's appallingly low representation in the Upper House should be greatly increased. If, immediately after the elections, Holman had sought from the Governor twenty or thirty appointments to the Council, they would have been made, a fact which was conclusively proved by the appointment in 1917 of a batch of more than twenty MsL.C. at a time when the National Coalition Government was already possessed of the support of a large majority in the Upper House.

If Holman had acted at the moment of his electoral triumph, there would have been many heart-burnings and jealousies amongst individual members of the Labour Party; on the other hand, the political history of the State and of the Labour movement would probably have taken a very different turn. As it was, he decided to do nothing for the time being. The decision was disastrous.

His apparent disinclination to take the essential strategic move led to the formation of a cave within the caucus. It soon revealed strength. For the position of Speaker, Holman desired that McGowen, now dubbed the "Nestor" of the Labour movement, should be chosen. But his wish was set at naught by caucus, and R. D. Meagher was selected. Holman said later:

It was a rude disturbance of our dream of an unanimous striving for the ideal of a fraternal party. Seen with the cold eye of reason it should have amply foreshadowed all that was to come. The ingratitude shown to the old Chief, the hostility to the present one, the turbulent refusal to accept guidance at a moment of supposed prosperity, these things were indications of most ominous conjecture for the political embryologist. But the glamour of the victory was still upon us. A favourable construction was put upon everything, and the episode dismissed from our minds as a regrettable incident. In good heart on the whole, in spite of slight misgivings, we entered upon our first brief session of the new Parliament.³

When the Assembly met, Wade raised a personal objection to Meagher, but he could hardly conceal his relief that, under the new chairmanship, the Assembly would be much more pleasant—for him—than under the stern rule of Henry Willis. "It is difficult," Wade said, "for hon. members to realize the strain and nervous pressure imposed on us when we had our patience tried beyond endurance." But Wade wisely refrained from apportioning blame, and added that he loyally accepted the verdict of the country. Now he begged Holman to extend to him and his party "that mercy which should always accompany great strength".

The election by the Labour caucus of the ministry took place late in January 1914. It was generally anticipated that in addition to McGowen,

Edden would be omitted; and the vacancy caused by Beeby's retirement had never been filled. The new ministers selected by caucus were Ashford, Hoyle and Estell. The choice of the first two caused much discontent. Ashford was *persona grata* to Holman; he had offered to resign his safe seat in the event of Holman's losing Cootamundra. Ashford's chief opponent for selection to the Cabinet was George Black, veteran of the movement, and an able politician and writer. Holman had assured Black of Cabinet support in the caucus selection. It seems that while Holman voted for Black, other members of the Cabinet were openly organizing against Black and for Ashford. Black subsequently alleged that Ashford's candidature had been organized by one J. J. Talbot, whose business activities were subsequently criticized very unfavourably by several Royal Commissioners. Black was indignant at his defeat when solid support from the existing ministry would have ensured his victory. In his memoirs he declared that "with such a display of legal, professedly unionist, feminine and criminal talent against me, it was impossible to succeed". He also asserted that "too many had been engaged in the plot to keep its details hidden especially as the bookmakers' agent for blocking the totalisator, afterwards the go-between in the Wheat Scandals, had boasted openly concerning his share in the work of Thuggery". Black condemned the system of selection by caucus as one in which a Premier was too apt to lend quiet support to sycophants and time-servers. A sounder criticism would have been that the requirement of an absolute majority lent itself to an organized "ticket" by which a bare majority of caucus could secure the election of an entire team of ministers.

Announcing the result of the caucus ballot, Holman expressed his satisfaction at the election of Ashford, a "moderate" man. "Then," commented Black, "with his usual easy grace, Holman turned a complete somersault and drawing on the resources of his voluminous vocabulary he said without a blush 'I cannot however refrain from expressing pain and regret at Mr Black's exclusion'" Equally noticeable was the omission from the Cabinet of the very able John Storey, afterwards Labour leader and Premier of the State.

Next, Holman made his first appearance as Labour Premier at the State P.L.L. Conference. Although not a trade-unionist, R. D. Meagher was elected president of the P.L.L. for 1914. Subsequently Holman said:

For the first time for many years a man who (1) was not a Trade Unionist, (2) was a member of the Lower House, (3) was a lawyer—three unforgivable disqualifications on the part of any ordinary aspirant for the Chair of the organisation—was elected to it, mainly on the ground that he was an Irishman and a Catholic. There were plenty to say quietly that now that Farrar and his section had won the victory, Meagher and his section were coming in to exploit it. Actually, of course, Mr Meagher was a man of most brilliant gifts, and eminently qualified to fill the position—more so than most of his pre-

decessors. But, all the same, those gifts had been at the disposal of the movement for several years now, and it had shown no disposition to avail itself of them till this moment. Clearly something was changing.⁴

In spite of the Premier's prestige, the conference showed no readiness to yield to him on points of party discipline. For instance, he supported the re-admission of Page, the Independent Labour member for Botany, who had openly opposed Hughes's referenda at the Federal elections of 1913; but the proposal was badly defeated. Holman later said:

As one colleague put it to me most of the men at the Conference had been backing the wrong horse. They had all expected the Federal men to win and us to lose. The exact reverse had happened. They had to look pleased, but they did it with rather a wry face. Their attitude was "Well, if we've got to put up with these State chaps, let's make 'em do something to justify their existence!"

Holman hurried away on a visit to New Zealand where he attended an important conference on public health. There he emphasized the success of some of the New South Wales Government undertakings. He used a displeasing metaphor, when, in reply to the New Zealand Press, he described the New South Wales Labour Conference as "the annual escape pipe of the movement through which waste steam goes off". He returned via Melbourne in order to attend the Interstate Premiers' Conference. W. A. Watt, now Premier of Victoria, and Holman were the two outstanding figures of the conference, at which the changed attitude towards the States of the Commonwealth ministers was very noticeable, Cook, the Liberal Prime Minister, and several of his ministers attending. While the Fisher Labour Government had been in power, the Federal ministers had treated the State Premiers' Conferences as of little or no consequence.

Holman again raised the question of the overlapping of State and Federal functions and urged the necessity for simplifying the industrial arbitration system of Australia. He reminded his fellow Premiers that, if a small additional vote had been cast in favour of "Yes" at the referendum of 1913, the States would have been deprived of their exclusive power to regulate industry. For the time being, however, Holman's warning was not regarded seriously. The Federal Liberal Party was so confident of its public following that it had devised an elaborate scheme for obtaining a dissolution of the Labour-controlled Senate, together with the House of Representatives. On the other hand the Senate was endeavouring to apply a provision of the Commonwealth Constitution by which, without the consent of the House of Representatives, the Fisher-Hughes referendum proposals might be submitted to the people for a third vote. But Cook believed that this move on the part of

the Senate would fail; and that referenda to grant further powers to the Commonwealth could be postponed indefinitely.

On the occasion of this Conference, W. A. Watt, while referring to Holman's "magnificent gifts", foretold "that if the caucus continued its tactics . . . before half a decade is over, Mr Holman will be one of the leaders of the Liberal Party". Watt's forecast proved to be erroneous, but only as to time and name.

Returning to Sydney in April 1914, Holman discovered that the Political Labour League Executive, with the active support of President Meagher, was endeavouring to enforce a ruling of the annual conference that, before any new appointments were made to the Legislative Council, the Executive should be consulted. Holman was angry. On 20 April, he said that the ministry of the day had the exclusive right of making appointments to the Legislative Council and it would share the responsibility with no one else. While Holman was in Melbourne, the parliamentary caucus, at Meagher's suggestion, carried a resolution that the names of prospective MsL.C. must first be submitted for approval to caucus. This made Holman furious and he made an extraordinary comment: "If any one," he said, "is paying any money to get himself appointed to the Legislative Council, he is simply being swindled." But Meagher and the caucus found support in the *Worker* which said (on 23 April) that the Labour movement needed no leadership and possessed no leader:

It represents a phase of evolution infinitely in advance of the days when the workers had to be "led". They have no use for leaders. In conference assembled, they formulate their policies and decide their tactics. In mutual associations, they select their candidates and conduct their campaigns.

This somewhat fatuous reasoning of Lamond only increased Holman's indignation. He attacked Meagher as a recent "convert" who had joined Labour only when it was beginning to prosper. It was argued by the *Worker* that unless both Political Labour League Executive and parliamentary caucus approved of Labour nominees to the Council, there could be no guarantee that improper appointments would not be made. To this Holman replied in a public statement which caused intense curiosity:

Great allowance must be made for the errors into which men are sometimes hurried by their anxiety to safeguard the purity of public life. It might be possible for one of them, for example, to rise in his place in the Council and move the adjournment of the House while calling attention to regulations concerning certain picture shows, and it might transpire afterwards that he had been paid by the proprietors of other picture shows to do this . . . or again, he might be a member of a Royal Commission appointed to investigate a great social question affecting a wealthy interest. He might join in a minority

report adverse to the interest, and it might afterwards be alleged that he had accepted large sums of money from the representatives of the interest to secure from the majority of his colleagues a report favourable to that interest, stipulating for himself, however, that he should be free to sign a minority report against them so long as he secured a majority in its favour.⁵

Holman's remarks were understood as referring to a Select Committee which had examined the question of the system of "tying" of hotels to brewing companies; for Meagher, having served on such a committee, had signed a minority report against the system of "tying". But Holman's intention was made even more apparent when he added a comment that conduct such as he had described would involve "an almost inconceivable degree of depravity" and proceeded to mention Meagher's name: "It was no doubt the possibility of such a thing happening that Mr Meagher was thinking about when he moved that all nominations should be entitled to the close scrutiny of himself and his fellow members in Caucus."

The *Sun* which published this dramatic but libellous statement, also treated the Labour faction fight more lightly, its brilliant "Moving Picture Show" versifier thus describing Holman's new "bludgeoning" methods:

But the days of soft persuasion, of the wise and warning word,
Bringing rebels back to reason, now are fled;
And Holman takes a coupling-pin when mutiny is heard,
And he belts the rash offender on the head.
For a hefty rod of iron is the method up-to-date;
When revolt has grown apparent in the ranks,
The only thing to stop it is an argument of weight,
And two-foot-six of gaspipe stops the pranks.

The significance of the Holman-Meagher controversy of April 1914 is great. Why should Holman have become so offensive, have prepared for publication such perilous matter? On the face of things, all that had happened was an attempt by the anti-Holman cave in caucus to secure some voice in or veto over Labour appointments to the Upper House. In doing so they seemed to have the backing of the movement. Why should Holman become so excited over the matter? It was by no means unnatural that the caucus should wish to be consulted. In his earlier days, Holman would have been on the side of the caucus. Some of the MsL.C. appointed by the McGowen Government in 1912 had distinguished themselves more by opposition to, than support of, Labour measures.

The key to the problem is discoverable. The reason for Holman's special annoyance lay in the increasing closeness of his friendship with Hugh D. McIntosh. Later, at the Political Labour League Conference of April 1915, when the Upper House question had become of crucial importance, Holman

publicly admitted that, before the 1913 general elections, he had given personal undertakings to three men (including two Labour men) that they should be appointed to the Upper House. Holman said:

The third gentleman is not a Labour man, never has been, and never pretended to be. He is a man to whom this movement is under certain definite obligations, not of a pecuniary character, but of another character. I want to say that we have made promises that when I appointed the next batch he should be among them. I want to say that that promise will be fulfilled.

A VOICE: Hugh D. McIntosh.

MR HOLMAN: All I can say is that if this third gentleman still desires this appointment to the Legislative Council, I will do it if it is the last act of my official life. If I have to give up the Premiership next week, I will appoint that gentleman if the Governor will accept my nomination, and I have no doubt that he will.⁶

Although the Labour Party was under no obligation to McIntosh "of a pecuniary kind", we know that Holman himself was. McIntosh had frequently entertained him, and had lent him sufficient money to cover the expenses of his English visit. On the other hand, Holman had grown to like and admire McIntosh and to find stimulation and refreshment in his rugged, breezy and humorously aggressive personality. The inference is plain. In April 1914 Holman regarded himself as definitely bound not to make any Upper House appointments whatever unless McIntosh was included. This casual and almost accidental circumstance arising out of a purely personal friendship explains the high pitch of Holman's indignation when Meagher, perhaps unconsciously, but probably not, was interposing serious obstacles to the fulfilment of Holman's pledge and McIntosh's strange ambition.

Meagher was placed in a very invidious position. He could not sue Holman or the newspaper for libel without proving that, in the eyes of some at least, the cap fitted. He was practically helpless. But Holman's attack injured the party more than it did Meagher. It was the first time that Holman, himself so frequently a victim of violent attack, had made an attempt to silence opposition by the use of defamation. Indeed, the imputation of corruption was very serious, for, by comparison, Wade's attacks on Griffith were almost playful. But Holman had brought into play a weapon which was two-edged, as succeeding years were to show.

Holman never supposed that Meagher was a potential rival for party leadership, and the Labour movement was quite aware of the Premier's unequalled generalship. As it was, the somewhat miserable controversy had a permanent effect upon Holman's attitude to many members of the caucus. But his relations with McIntosh and McIntosh's friends became closer. Gradually, through the apparently innocent means of personal and social entertainment, the idea was insinuated that what the State needed was

Holman's leadership of a coalition of radical Liberals with right-wing Labourites. The matter was even ventilated in the Press, the *Sunday Times* saying on 3 May:

It is perfectly clear that attempts are being made to cajole Mr Holman into the belief that, in a momentary dissatisfaction with certain doings of individuals, organisations or parliamentary representatives, he could split off from his party, and still occupy a position of power and influence in the State. Mr Holman is too wise a man to accept this bait. Powerful as he is, his strength, like that of Antaeus, lies in his being able to renew himself by touching the sources of his power. But should Mr Holman be flattered or cajoled into thinking that he is powerful enough to—wizardlike—create a party by leaving his own, he is very much mistaken. He is certainly too wise a man to put himself in the position of Mr Beeby, unless his friends are bad judges.

A special financial session of Parliament was summoned for March 1914. Holman carried out his expressed intention of increasing direct taxation. He graduated the death duties on estates from two per cent to fifteen per cent as a maximum, estates of £1000 and less being exempted. The income tax scheme was amended by omitting any discrimination against absentees, and by making the tax graduate from 8d. to 1s. 2d. instead of from 6d. to 1s. The statutory exemption was reduced from £300 to £250, and companies were assessed at a flat rate of 1s. 2d. in the pound.

During this short session there were one or two serious breakdowns in the conduct of Government business. In the absence at Melbourne of Holman and D. R. Hall (now Attorney-General), ministers without legal training had to pilot the new and somewhat complicated taxation Bills through the House. One Bill was ruled out of order by Speaker Meagher because its terms exceeded the resolution of leave. Others were ruled out of order because they proposed to amend certain statutes without such statutes being specifically mentioned in the order of leave. In the result, fatal points of order were upheld on no less than five occasions, and new Bills had to be introduced. Nothing is more calculated to humiliate a victorious party than such early setbacks. Some of the caucus strongly criticized Holman for his apparent indifference. "The political juggler," said Black, "gains applause from the crowd for a time, but at length his tricks become threadbare."

CHAPTER XL

WAR

IN June 1914 Holman delivered his pre-sessional address at Temora. He again insisted upon the need for developmental works, and answered the newspaper complaints of extravagant expenditure. The North Coast railway had to be completed because it was a commitment from the Wade Government. An enormous increase in the duplication of main lines had been effected, and railway equipment had also involved heavy expense.

Because of these heavy commitments, Holman admitted that certain promised railways could not be constructed. But he foreshadowed a scheme for the bulk handling of wheat and announced a systematic overhaul of health administration, the Government proposing to establish baby health centres throughout the city and country districts. Holman said that Labour would carry out its undertaking to establish State iron works. "The Government," he added, "will not only make its own bricks and bread, but ultimately, iron and steel to supply the rails, bridges and locomotives necessary for the industrial development of the State."

The main business session of 1914 opened in July. In the event, owing to many special adjournments, it did not conclude until February 1915. The Governor's speech announced a lengthy programme.

But, on 4 August 1914, the entire aspect of affairs changed. A state of war was impending. Wade announced that "under those conditions, party divisions would be sunk in view of the larger issues entirely overshadowing them". Holman, while agreeing to adjourn the House, said that "the preparations for war and the arrangement for war are not essential business", meaning that defence was a Federal not a State function. On the following day, Holman announced that war had broken out between Great Britain and Germany. He suggested that, on each day, after a formal meeting, the House should adjourn unless some important local question had arisen. He severely shocked the trade unions by announcing that the Cabinet was considering the question of suspending industrial awards and had already decided to call in aid the counsel of Wade.

Through the Premier, New South Wales had unreservedly placed all its resources at the command of the Commonwealth which, under the Constitution, had the exclusive power and duty in relation to war and defence. Wade asked Holman to realize that, in face of the national crisis, the contentious programme of the Government could hardly be carried out. Wade also made the suggestion, which his later attitude belied, that the public were under a

duty to extend tolerance and courtesy not only to naturalized subjects of German descent, but to unnaturalized Germans also. "Although we are out," he said, "to fight the nations which challenge us, we cannot forget the bonds of friendship".¹ This appeal to "sporting instincts" had little effect, and was misunderstood.

The outbreak of war found both Houses of the Federal Parliament dissolved, for the Cook-Irvine scheme of manufacturing the occasion for a double dissolution had entirely succeeded—and by means which W. M. Hughes characterized as a "fraud on the Constitution". On 31 July Fisher, the Labour leader, said that, if war broke out "Australians would stand beside our own kin to hold and defend our Mother Country to the last man and the last shilling". Hughes made the suggestion that the general elections should be cancelled, if necessary by Act of the Imperial Parliament. But Cook reckoned that the war had improved his own chances and invoked the foolish old platitude, it was dangerous to "swap horses while crossing a stream". But the Australian public had not forgotten that it was the Federal Labour Party which had laid the foundations of an active policy for the defence of Australia.

On 11 August a special conference of Commonwealth and State ministers was held. With Britain's entry into the war, the problem of financing public works in Australia became one of great difficulty. The conference decided that the war efforts of the Commonwealth should be assisted, but that:

Public Works will be continued at their full current volume and, if necessary, the Commonwealth will make available to the States money for general purposes. As regards commercial and industrial operations generally, arrangements were also made to place the credit of the Commonwealth and the States behind the banks if necessary, and upon such terms as will permit the continuance and encouragement of employment.

On 5 September the Federal elections took place. To the surprise and dismay of the Liberals, Fisher and Hughes were returned to power with a majority of ten in the Lower House. In the Senate, Labour even increased its great majority, the numbers being: Labour 31, Liberal 5. The first and only double dissolution had been most disastrous to those who had schemed to secure it.

Holman was beset by anxieties as to the financial position. Under his current public works programme, nearly 20,000 men were employed by the State. The supply of loan funds became practically exhausted, and the emergency was so serious that for four months between August and November, he had to borrow from day to day over the counter of the Treasury. A quantitative comparison between the loans raised for Holman's "extravagant works policy" and those raised by the Commonwealth for war purposes shows that the scheme of internal borrowing might easily have been adopted

for the benefit of the States. And for the time being, the emergency was great. For instance, the Broken Hill mines which had always exported ore for treatment in Germany were temporarily closed down; and employment had to be found elsewhere in New South Wales for a large number of the Broken Hill employees.

For Holman himself, the unexpected return of Fisher and Hughes to power involved some embarrassment. In the first place, Fisher asked all the States to give specific undertakings that they would limit their borrowing. Holman refused to agree, and informed Fisher that the Norton, Griffiths offer to finance New South Wales public works had been renewed. Fisher showed little sympathy, and, in the end, Holman and Carmichael decided to accept the Norton, Griffiths Company's offer to advance a sum of £10,000,000 spread over a period of four years, commencing with a loan of £4,000,000 in the year 1916. Under this arrangement, Norton, Griffiths were to be entitled to charge the State a percentage of the expenditure on the loan money for they were bound to supervise the works which they were financing. Holman timed the agreement to commence in January 1916, so that, whether the war terminated before then or not, New South Wales would thenceforward be largely independent of loan rationing at Commonwealth hands.

The overwhelming crisis of war profoundly affected Holman's estimate of the urgency of local reforms. As has already been noted, both he and his wife had become proficient students of the French language and admirers of the culture and civilization which France represented. Throughout his life, Holman corresponded with French scholars and publicists, and he was closely associated with local French organizations and the social life of the Australian-French community. Although strongly anti-militarist by general conviction, the fact that England had France as an ally alleviated the supreme tragedy of war. In view of the emergency, a temporary truce with Wade appealed to him as a patriotic duty. Without any specific desire of retaining his existing position of political advantage, Holman agreed that it was desirable that, as in the case of England, no by-elections should be contested during the war, and that any casual vacancy should be filled by the nominee of the party which was in possession of it. On the other hand, the case against Holman's attitude was not without strength; and, from a Labour point of view, it was very strong, indeed practically overwhelming. From a tactical point of view, the best time to get the promised Labour legislation through was at once. A session's postponement meant a year's postponement, and might prove fatal to the more contentious Bills. Inasmuch as the exclusive legislative and executive authority over military matters lay with the Commonwealth, all that the States could do to "win the war" was to act as subordinates and auxiliaries. Little was to be gained from cancelling or suspending industrial awards and thereby endangering the chief safeguards for pre-

serving labour standards. There was no good reason why the State should not maintain and even improve the standards gained by Labour after years of sacrifice.

Yet, as the war months slowly passed, the workers had to suffer a falling-off even in their pre-war standard of living. To the ordinary householder the cost of living rose steadily from November 1914 to the year 1920. Taking the figure in November 1914 as at 1000, the cost of living figure in Sydney rose in 1915 to 1159; in 1916 to 1187; in 1917 to 1266; in 1918 to 1328; in 1919 to 1505; and in 1920 to 1681. Throughout the war period, enormous difficulties faced union organizations both under Federal and State jurisdictions. For instance, the Federal Arbitration Court had to hear and determine a large number of industrial disputes in connexion with which the unions' logs of demands had been made prior to the outbreak of war. But the hearings were postponed, the lists were crowded, and usually many years elapsed before the old dispute was ripe for hearing. Finally, when the award was made, the High Court laid it down that, despite the enormously increased cost of living, no greater wages could be awarded to the employees than the amount specified in the old pre-war demand, for that demand defined the limits of the only dispute over which the Arbitration Court had jurisdiction. Further, industrial tribunals were far too slow in realizing that the increase in the cost of living would necessarily accelerate as the war-time financial device of inflating the Commonwealth note issue and raising enormous internal loans became the easy and accepted policy. In State industrial jurisdiction, for which Holman had to accept a great measure of responsibility, the situation was no better. At the outbreak of war, the New South Wales adult living wage was £2 8s. per week. In December 1915 it was increased to £2 12s. 6d., in August 1916 to £2 15s. 6d., and in September 1918, to £3 a week. Not only the amounts awarded, but the court's reasons aroused bitter criticism. Thus, in the 1916 judgment, the New South Wales court deliberately kept the wage lower because of "times of adversity". It refused to take any account of the decreased purchasing power of money upon the following remarkable grounds:

The note issue was then less than £10,000,000. It is now nearly £40,000,000 and seems to be increasing. No doubt one advantage to the community from this increased issue is that it represents a loan without interest. That very fact creates the temptation to the Commonwealth Treasury to go on borrowing without interest by going on issuing notes. If this were indeed the cause, or partial cause, of the increase in the cost of living, a very serious question would arise whether it should be added on to the wage rates. It would be a war tax; and should not every man pay his own taxes? Is taxation which is deliberately imposed upon the whole community to be converted by the Court into double taxation upon a part of the community? Or if that is to be done to preserve

the minimum wage, is it to be done for wages which are higher than that? When the Commonwealth wishes to limit the taxes to a class, it does so; and the needs of the war compel it to do so with great severity—quite properly, in our opinion, if we may venture to speak as private citizens. When it wishes to tax the community, is that also to be turned by this Court into a class and not a community tax? It seems to us a most questionable proposition.²

Part of the same judgment practically gave the “go by” to the accepted thesis that the living wage had to be fixed by reference to the average needs of an average worker.

Holman had established a price-fixing tribunal under the Necessary Commodities Control Act, passed shortly after the outbreak of war. There was considerable diversity in the various schemes of price fixing operating throughout the several States. While New South Wales and Queensland were active in price fixation, in other States the control was much less rigid. In 1916 the Commonwealth itself intervened as price-fixing authority, relying upon an unsuspected reserve of legal power which was discovered in a decision of the High Court, in what came to be known as the “Bread Case”, that the Federal War Precautions Act permitted the Commonwealth to fix the price of bread in any selected locality.

In New South Wales, owing to the economic urge to export interstate or overseas, Holman found that merely to fix minimum sale prices for wheat and flour was useless. The year 1914 was one of drought in Australia, and there had been much speculation in wheat futures. Therefore, in order to protect the New South Wales consumers, the Holman Government decided that expropriation was essential. Accordingly, all locally produced wheat was seized, the first lot at 4s. 2d. and the second at 5s. per bushel. Hughes, appealed to by certain farming interests, challenged the validity of the New South Wales Act as being contrary to the constitutional guarantee of interstate free trade. Before the Interstate Commission, the Act was held to be invalid in respect of interstate transactions; but, on appeal, the High Court upheld its validity in all respects.

In pursuance both of the emergency wheat policy and of the general policy of establishing State enterprises, a State bakery was set up by the New South Wales Government. According to Holman:

Certain master bakers had united to put up the price of bread to the Government. Proof was available that one successful tenderer had divided a certain sum among his unsuccessful competitors, their tenders having all been arranged in advance, and we resolved, while we were handling the general problem, to supply the hospitals, gaols, and other services with bread of our own baking.

Late in 1915, D. R. Hall, as the minister in charge, proposed to give the Government a complete monopoly of the breadmaking industry. He was

bitterly opposed, not only by the master bakers, but by the employees engaged in the industry, many of whom seemed likely to lose their employment if the scheme went through.

In view of the Upper House's overwhelming hostility, this particular scheme of nationalization was abandoned, and the Government ultimately confined its effort to supplying the needs of its own institutions.

In the session of 1914, Holman, considering himself committed to Wade's proposal for a political truce, practically abandoned all contentious legislation. The Assembly failed to carry the following Bills past their initial stages: the Eight Hours Bill, the Fair Rents Bill, the Mines Inspection Bill, the Police Appeal Bill, the Shearers' Accommodation Bill, and the State Fire Insurance Bill. In December 1914, when the Railway Commissioners applied to the New South Wales Arbitration Court for the suspension of industrial awards so far as they provided for increased wages, Holman was openly attacked by Labour members representing industrial constituencies. Hollis, veteran Labour member, asked Holman whether, in view of the fact that he had also stopped all the normal increments in the salaries of public servants, he would "declare to his followers whether he has become an absolute convert to the principles of Liberalism". Holman merely asked Hollis for notice of the question!

The year 1915 opened badly for the Labour Party with the death of Treflé, the very able Minister for Lands and Agriculture. This created a vacancy in the Labour-held seat of Castlereagh. Wade publicly indicated his desire that the Liberal Party should not contest Castlereagh against the Labour candidate; but the Farmers' and Settlers' Organization, with which Beeby had recently become associated, thought that Labour might be beaten by putting up a "country" candidate. In the result, the so-called "country" candidate was the same man who had stood as the selected Liberal against Treflé at the general elections of 1913! "Although a Farmers' and Settlers' candidate," said a naïve Liberal newspaper, "he carries the good old colours of Liberalism." Holman was annoyed at what he regarded as the repudiation of the political truce which the Labour Party had honoured by limiting its activities to war questions. He said:

We have done nothing else. One of my colleagues did, in a moment of excessive caution, foreshadow the possibility of an amending Arbitration Bill, but nothing was done. The conditions in which the truce was made continue, as far as I can see, absolutely without change of any kind. One of our members dies. His seat is thus left vacant, the very contingency which the truce was devised to meet. I say that we are entitled to the seat without contest.³

Holman said that, unless the Liberal Party asked its members and supporters to repudiate the Farmers' and Settlers' candidate and vote Labour,

"we shall know very clearly where we stand". For Labour to hold the seat was no easy matter, because, although it had been well held by Treflé, Holman's Wheat Acquisition Act was condemned by the farmers' candidate on the ground that the fixed prices had robbed the producers of the chance of making a special profit. The Government argued that the price of 5s. per bushel was not unreasonable and that no wheat farmer should desire to profiteer at the expense of the consumer. In the event, the Labour candidate was returned by a large majority, although the smallness of the poll suggested that many Liberals had abstained from voting. The resulting vacancy in the Labour ministry was then filled by the caucus's electing Black. Shortly after, a somewhat trivial dispute as to the precedence of ministers led to the resignation of Carmichael, Grahame being elected to the ministry in his place.

CHAPTER XLI

LABOUR CONFERENCE DEMANDS

IN April 1915, while the Assembly was in recess, Holman had to face severe criticism from the Labour Conference. The A.W.U. and the *Worker* had become increasingly hostile and this hostility was further accentuated by a bitter personal feud. A *Worker* article had condemned D. R. Hall upon the ground that he had acted improperly as Attorney-General in refusing to file a bill of indictment against a certain person whom a magistrate had committed on a charge of perjury. It appeared that Hall caused an independent investigation of the matter to be made, and his officers had advised him that, in the public interest, the prosecution should not be proceeded with. Hall then brought an action for libel against the *Worker* and the jury held that comment was either unfair or malicious, assessing damages at £500. Hall's close friendship with Holman was well known and the bitterness toward both by Lamond (as *Worker* editor) became increasingly evident in every *Worker* issue. R. D. Meagher presided at the annual Labour Conference of 1915 and his presidential address was practically an apology for the inactivity of the State Government.

Holman's speech to the conference emphasized that the Government had been at its wits' end in keeping its own employees at work and in alleviating the unemployment at Broken Hill. He was, he said, sick of the spirit of criticism against the Government, and the backbiters would have to be repressed. He complained that the business paper of the conference contained no less than fourteen separate proposals for votes of censure against his Government:

It gives us a nice homely feeling in the Conference when we go back to the good old days and find we have not been forgotten but that no less than 14 of our friends are lying in wait for us. No doubt there are people who have made up their minds that certain people ought to be hanged. I am not saying they are wrong; probably hanging would do a lot of us good.¹

Holman was more persuasive when he promised that, during the 1915 session, the Government's election mandate of 1913 would be carried out. Much heckled for failure to make Upper House appointments, he said with surprising optimism that he would, by appointment, gradually democratize the Upper House until it consented to its own abolition.

A feature of the conference was the bitter debate on the Norton, Griffiths financial agreement. Holman explained that the Agent-General of New South Wales in London had been thoroughly catechized by him as to the

possibility of financing the State Government's work programme; but the English Government was quite unable to offer any assistance. He admitted that what had been done:

. . . was a departure from the Labour platform. The work would be done by day labour under a private firm's supervision. He recognised that that was a departure from the spirit of the platform. But it was equally the duty of the Government to keep its people in employment, as it was to keep the platform. The law of the land was "Preference to unionists" and Norton Griffiths would have to obey that. The industrial conditions would not be changed, but the employer would be. They took a step which some people might think cowardly. They met the Executive and put the position before them fairly and fully.²

After Holman had spoken, Hughes intervened in the debate to assert, that, as a result of the Commonwealth's scheme of financing, the State's requirements had been provided for up to November 1915. He strongly attacked the Norton, Griffiths agreement, the charge of five per cent for supervision and one per cent for underwriting being, in his view, heavy.

But Hughes's attack was ill-timed and unsuccessful. He was interrupted a good deal and in the end the particular vote of censure on the Holman Government was defeated by a large majority.

The conference decided that, in spite of the war, it was desirable that the Fisher-Hughes Labour Government should once more submit to the electors the constitutional amendments proposed in 1911 and again in 1913. As to this Holman remained silent. Shortly afterwards, at Adelaide, the triennial Interstate Labour Conference duly endorsed the decision in favour of another referendum.

At the New South Wales conference, Holman was also attacked for having permitted the suspension of awards while allowing the Necessary Commodities Commission to sanction increases in the prices of commodities. Stuart-Robertson, a Labour member who belonged to the anti-Holman cave, derided what he called:

. . . the hysterical statement of the Premier at the Trades Hall at the outset of the war. Mr Holman had there said that it might be necessary to suspend the operation of Wages Board awards in order to distribute the work among more men. It was after this announcement that the Judge in Arbitration took it upon himself to suspend the operation of Wages Boards. "The Government, in my opinion," said Mr Robertson, "is deserving of censure. It had taxed the worker to the extent of £780,000 by reduction of wages, and all they could get by the tax on millionaires of New South Wales was £320,000."³

The conference of 1915 ended without carrying any direct censure on Holman. The substance of the position was—he was warned over the Upper

House and told to get on to the job of carrying the Labour platform into effect. Looking back on this conference, Holman's comment was:

The dependence of the Ministry upon the Annual Conference was the real weakness of the Labour Government's position and constituted the real hold which the organisation had. It will readily be understood that it was quite possible when one was fighting a by-election or even a general election, to set up a duplicate organisation and win the battle by private enterprise. All that was necessary there was to find some means of keeping the regular army of the movement out of mischief while the new model gained the victory. But there was no way of setting up a duplicate Conference. The Conference was there. It was the supreme authority, and unless it could be induced in some way to speak in our favour, its utterances would be fatal.⁴

Holman's analysis is an excellent example of the situation as it might occur to a parliamentary Labour leader. But what did the organized Labour movement exist for at all, if not to express year by year the instant demands and opinions of the average worker? In his earlier days, Holman regarded the conference as the supreme instrument for effectuating Labour's ideals. Subsequently, when office and power came to be enjoyed, the conference appeared in the role of trouble-maker. So of course it was—to politicians whose record of stewardship was alleged to be unsatisfactory.

The 1915 session opened in June and continued until April 1916. The Governor's speech explained that, owing to the war, the lengthy programme announced for 1914, "in which were included many weighty matters determined upon by the people at the last general elections", had to be "suspended". The speech clearly suggested that the lesson of the conference was present to Holman's mind, because it was added: "It is now felt that the legislation then endorsed need no longer be delayed." Then the long list of proposals mentioned in 1914 was practically repeated.

Without doubt, Holman had been given a clear popular mandate to carry these proposals into effect. Yet, one by one, they were defeated in the Upper House or not even carried to finality in the Assembly. The list included: the Bakery Bill, the Baking Hours' Bill, the Closer Settlement (Super Tax) Bill, the Early Closing Bill, the Government Railways Appeal Bill, the Grain Elevator Bill, the Industrial Arbitration Bill, the Police Appeal Bill, the Rural Tenants Bill, the Shearers' Accommodation Bill, the Trades Union Amendment Bill, and the Workers' Compensation Amendment Bill. This almost incredibly long list of failures was due to the fact that Holman would not press on with the Legislative Council appointments because H. D. McIntosh, not being a member of the Labour Party, would certainly be deemed ineligible for appointment by the conference and executive. Time was running against Holman. The Legislative Council was largely controlled by astute politicians like Carruthers and Ashton who knew that, as a result

of frequent setbacks, the stock of the Government was falling and that, in the absence of strong Upper House following, the Government's position would become more difficult with every failure. Holman's remedy was still at hand. But his personal pledge to McIntosh prevented him from proceeding with the vitally necessary appointments. This in turn added to his party difficulties.

Further, the "political truce" was gradually forgotten by the opponents of Labour, and Holman was soon subjected to Press bombardments resembling those aimed at Griffith between 1910 and 1913. The *Daily Telegraph* invented a question-begging slogan called "The Norton Griffiths Scandal". What exactly the "scandal" was it never quite specified. Then the success of the ultra-patriotic Horatio Bottomley "stunting" in England led to the demand that Australia too must rid itself of "Germans in the Public Service". A vicious newspaper sprang into existence simply for the purpose of insulting or intimidating men and women who were or were supposed to be of German origin. The *Daily Telegraph* denounced Holman's "ill-advised apologies for the employment of Germans in the Public Service". War anxiety, both genuine and hysterical, was a perfect soil for such demagogic tactics. If publicity had been given to the fact that, out of 65,000 persons employed in the services of the State, only 25 in all were of German or Austrian origin, the agitation would have been ridiculed. Accordingly the fact was conveniently overlooked. Carruthers, ever a great opportunist, although he had no official position with the Liberals, intervened in the discussion to attack the Government.

In September 1915, what turned out to be a crucial by-election took place at Willoughby (North Sydney) owing to the death in action at Gallipoli of Edward Larkin, one of the ablest of the younger Labour members. As at Castlereagh, the Liberals put forward no direct candidate of their own. But John Haynes stood as an "Independent Liberal" on the "anti-German platform". After the Gallipoli landing in April 1915, the steady list of casualties greatly accentuated the depth of the war feeling, and while Holman was not seriously at fault in resisting many hysterical demands, he made one or two insufficiently guarded references to "anti-German" agitation. The Labour Party suffered for such errors.

For instance, he had asserted that it was the "young shirkers anxious to find an excuse for not fighting" who had invented the charges about the Germans in Government positions. This was quite incorrect. The anti-German agitation, although used by many for motives of politics or gain, had substantial backing in the anxiety of the mothers and wives, the fathers and brothers of the soldiers. Finally, one newspaper insisted on calling the Premier "Herr Hollmann", and he was forced to bring a libel action in which, after his father and he himself gave evidence of their unimpeachable

English ancestry, the defendant made an abject apology and paid costs. Holman would have been far better advised to carry such litigation to the point of a jury's verdict.

Holman strongly denounced the Opposition's declaration of "neutrality" at Willoughby, where Wade refused to accede to Holman's request that he (Wade) should tell the Liberals that, in view of the war, they were morally bound to vote for the Labour candidate. Then Holman accused Wade of trying to "sneak the Willoughby seat as a result of Mr Larkin's heroic death". Wade denounced as preposterous Holman's contention that Larkin had gone to the front "under the very shield of a political truce, the obligation of which was thoroughly well-recognized by both sides of the House". The extreme bitterness of the Willoughby by-election was shown by the fact that one prominent Liberal made the dastardly suggestion that Larkin had enlisted in order to save the face of the "disloyal" Labour Party. Haynes was a very shrewd politician and skilfully appealed to the very strong anti-German feeling. A second ballot had to be ordered, and, when it was held, Larkin's 1913 majority of 300 was turned into a Labour minority of over 800. Holman bitterly commented on what he regarded as the Liberals' repudiation of the political truce. Indeed it was especially galling that the anti-German agitation should operate against the Labour Government because, day by day, war problems and war questions were increasingly taking possession of Holman to the exclusion of matters which were more directly in the line of his duty as State Labour Premier. In the case of Hughes, the conduct of the war was his peculiar responsibility. But the attitude of both Holman and Hughes to the question of Australia's war contribution was to become of overwhelming importance. For it led to divisions which ultimately split the Australian Labour movement and destroyed its power and effectiveness for many years.

CHAPTER XLII

WAR AND POLITICS

DURING the Federal election campaign in September 1914, as a result of the double dissolution of Senate and House of Representatives, Andrew Fisher had declared that the Labour Party, if successful, would "pursue with the utmost vigour every course necessary for the defence of the Commonwealth and the Empire in any and every contingency". But "the last man and the last shilling"—Fisher's earlier and less official phrase—acquired the greater currency.

Although the Federal platform of Labour included the plank of compulsory military service for Australia's home defence, the Defence Act confined peace-time service to cadets and young men; in time of war the obligation was universal, but it was expressly provided in the Act that there could be no compulsion to perform military service abroad.

At the outbreak of war Cook had "offered" the Imperial authorities 20,000 men for oversea service. The offer had been accepted by the Asquith Government and recruits were enrolled in a steady stream. But for a very considerable time there was little active organizing in Australia for recruits.

Holman subsequently asserted that, during the 1915 Interstate Labour Conference at Adelaide, Senator Pearce, Federal Minister for Defence, admitted that the Federal Government had made no special effort to get additional recruits because:

... at that moment he regarded the output of the Defence Department's Small Arms Factory as the upper limit upon Australian contributions to the Allied strength. "No use sending men home without rifles," he said. "We have only so many rifling machines, and the total output is so many a day. To take on more recruits than this is merely wasting money."¹

Pearce strongly denied Holman's assertion; but, whether Holman's recollection was sound or not, it is clear that, until the middle of 1915, little or nothing was done to organize, or stimulate voluntary recruiting. But the brilliant fighting of the A.I.F. at Gallipoli aroused intense feelings of pride and local patriotism, and lent magic to the new word "Anzac" which was constituted by the initials (A.N.Z.A.C.) of the Australian and New Zealand Army Corps. Holman had expected that, in these circumstances, the Federal Ministry would "have strained every nerve to increase the flow of recruits offering". Instead of that, according to him:

It sat at the seat of custom and took such recruits as offered and went with unruffled leisureliness about the business of organising them and forwarding them to the scene of operations. If many offered, it sent many; if few offered, it sent few; but whether there were to be many or few was looked upon as one of those dispensations of an inscrutable Providence with which a Government has no call to interfere.

Holman accordingly determined to intervene himself. In the middle of 1915 he organized and conducted a great recruiting campaign in New South Wales, although the recruiting response in that State had been very much better than that in the neighbouring State of Victoria. He treated the recruiting organization as though it was a great electoral campaign. Posters and novel forms of advertising were employed, and Holman pressed into his scheme the theatre, the sports ground and many other agencies. The Legislative Assembly was specially adjourned and speaking tours for members were carefully arranged.

However, on 31 July 1915, Holman and Wade had an unfortunate experience. It had been decided that they should appear jointly at the Sydney Stadium where, at the moment, boxing was enjoying a somewhat surprising boom. Each proposed to appeal to the audience for recruits. The crowd enthusiastically cheered some wounded soldiers who had just returned from Gallipoli. But when Holman commenced to speak, he was immediately heckled, and finally hooted and howled down. The audience became noisier and noisier, a hearing became impossible, and both Holman and Wade were compelled to withdraw. The decision to select such an occasion was extremely ill-advised. However, the *Sydney Morning Herald* described the interrupters as a "noisy pack of curs". Griffith said that among the 15,000 at the Stadium were some of the "lowest scum that would disgrace the worst city in the world". Holman himself showed greater restraint and at once proceeded upon his country recruiting tour where he met with excellent receptions. At times his speeches reached a high level. At Moree he said:²

I have never doubted the dauntless courage of the Australian. When you hear of an accident in a coal mine, a bush fire, or any catastrophe, you see the Australian fighting for the honour to be the first in the manly work of rescue. Now we are faced with this great conflict, and until the enemy is vanquished, we must no more return to the paths of ease. I say to you all, the hour has arrived when each man has to decide for himself.

But Holman's self-imposed and thankless task as chief recruiter was greatly hindered by personal criticisms which derived mainly from the intense bitterness of his political opponents. For instance, as a commencing point in his campaign, he caused a circular to be sent to single men suggesting that, if conscription were introduced, the dignity and the comparatively high

pay—6s. per day—of the volunteer might not be assured. On 9 September the *Daily Telegraph* condemned the circular as “maladroit” and “almost offensive”. Again Holman thus referred to the reported wholesale enlistment of English undergraduates:

One cannot help feeling that it is a pity that there is not some power to intervene and send these men back to positions where they would be doing still more valuable service for their country and replace them at the Front by other men, who were equally good as fighters, but whose departure for the Front would cause less of a gap in civil life.³

This thought, far better left unexpressed, was unfairly paraphrased by the *Daily Telegraph* as a proposal that Australia should “keep its intellectual élite at home and send ignorant no-account persons to the front”.

Occasionally, Holman was heckled because, himself reputed to be an expert fencer, he had failed to enlist. As a matter of fact, the New South Wales Official Director of Recruiting had formally rejected his application on the ground that his services were necessary in Australia, a point of view which was dramatically expressed at one meeting where a soldier who had been badly wounded stepped forward and said: “Mr Holman’s war is here. If we did not have men like Mr Holman, we would not have the organization and encouragement for those to go who are able and should go. We cannot spare men of Mr Holman’s stamp.”

Holman was also plagued by references to his strange intervention in the case of his friend W. A. Watt. Watt had given up the Victorian premiership to enter the Federal House. His war speeches, always interesting, were heavily flavoured with violent denunciations; and he did not shine out so brightly in the Federal sphere as in the far less distinguished Victorian Assembly. In July 1915, at Melbourne, Frank Brennan, one of Federal Labour’s most brilliant speakers and, later, Commonwealth Attorney-General, made a speech on the war in the course of which, replying to an interjection as to why he had not enlisted, he said, according to the *Argus* report:

I am not a fighting man. I have never pretended to be one. I have been the man who looks to reason and conciliation to settle these great disputes. The men who should go and fill the gaps, and go hurriedly to the gaps, are those who are urging young men from the platforms. If these warlike people can do the business of war, we peaceful people can attend to other questions. Every man for his own job. If I were suddenly transported to Gallipoli, and if a loaded rifle were placed in my hands and I saw a Turk in front of me, I would not pull the trigger.

Fairly looked at, in its context, and without considering the tense war-time atmosphere, Brennan’s honest expression of pacifist principle, though

perhaps imperfectly illustrated, could not possibly be regarded as offensive. But Watt saw an opening for attack, and great publicity was given to his unfair description of Brennan as a "pigeon-livered man". Watt also said:

Supposing we had been a nation of white-blooded people like this man. Do you think we would today be enjoying the freedom and privileges we now possess? No; we should be a race like the aborigines of this country. But I libel the aborigines. Even those benighted heathens put up some sort of a fight with the primitive weapons they possessed. But I am sure the country will not have such a man on its conscience as a political representative longer than it can help. The first thing the country ought to do is to purge its assembly of such dangerous characters. And while it is at it, I hope it will take the two Labour journals, the *Worker* in Sydney and the *Call* in Melbourne, and deal with them too. Every issue of these papers teems with utterances tending to discourage recruiting, and the men responsible for them should be found out, and meet with swift and condign punishment.⁴

On this occasion Watt picked the wrong man. Brennan had decided to test Watt's violent criticism by a striking challenge. Accordingly, in a personal explanation to the House of Representatives, Brennan challenged Watt to go with him to the recruiting office. He said: "If I *am* a pigeon-livered man, I am prepared to risk my pigeon-liver on the hills of Gallipoli with that man. . . ."

Accordingly, on Friday, 9 July 1915, Brennan duly attended at the recruiting depot at Melbourne. Watt was not present. Brennan had sent him a telegram repeating the challenge, making its terms unconditional, and extending the time for its acceptance. On Friday evening, Watt again spoke publicly and announced that he would interview Andrew Fisher, the Prime Minister, next morning, and providing Fisher advised him to do so, would immediately volunteer. With the caution, not to say cunning, that characterized him, Fisher refused to have anything to do with the duel.

Then it was that Holman, less cautious and more chivalrous, rushed into the controversy. The affair was no real concern of his. He was Labour Premier of New South Wales. He had no defence responsibility. Brennan was a recognized Labour leader. Watt was an anti-Labour member of the Federal Parliament. Watt had brought all his trouble upon himself. For Holman to interfere in order to save Watt's face was merely quixotic. The Labour movement would blame him. Yet, early on Saturday, 10 July, Holman wired to Peacock the Victorian Premier and a very close friend of Watt: "Watt's influence and organizing powers here worth thousand men at the front. He must disregard personal challenges; he can render great service to his country here. (Signed) W. A. Holman."

In the first instance, Holman did not intend that his message to Peacock should be released for publication; but he consented to its publication at the

specific request of one of Watt's closest associates who was also one of Peacock's ministers. In a letter, this minister subsequently thanked Holman "for your generosity in allowing your statement to be published. This is another evidence of your 'bigness'".

It was also evidence of Holman's imprudence. Even the Sydney *Daily Telegraph*—naturally friendly to Watt as a prominent anti-Labour politician—condemned Holman's intervention, especially at the very moment when the New South Wales recruiting campaign was to commence. Such action, it asserted, would be "dangerously misunderstood in New South Wales". But from the Labour side Holman was far more bitterly criticized. Watt's scorching invective had frequently been directed against the Labour movement, as witness his reactionary suggestion to close down two Labour weekly newspapers. Why should Holman, the trusted Labour leader, go out of his way to compare Watt's services in Australia with those of one thousand Australians who were fighting overseas? Of course, we know that Holman did not believe that Watt's services were worth those of a thousand soldiers, though he had admired Watt's strong opposition to what Holman considered unreasonable demands by Fisher and Hughes for further Federal powers. Placed in a very nasty corner as a result of his own violent attack, Watt badly needed someone in authority—preferably on the Labour side—to shepherd him. Fisher was remote, unavailable, unwilling. Holman came to the rescue. In the result, Holman was left completely "offside". He did not please the Liberals, he displeased the soldiers, he infuriated many Labour supporters. On the other hand, only a very courageous and noble man could possibly have acted as Holman did. The "average" politician would, like Fisher, have "stood pat", refusing to make the slightest gesture in favour either of Watt or of Brennan.

Holman became thoroughly disgusted at another aspect of his recruiting campaign. Not unnaturally, some persuasion was needed to induce any member of Parliament to take part in a speaking campaign for recruits. There was little political capital to be made out of such speeches; and a member's popularity might easily be compromised if it turned out that he had persuaded to his death any young man in his constituency. Still, as a result of Holman's appeal, nearly 40 of the 90 Assembly members had agreed to take the political risk involved; and Holman, following the English practice of the moment, ruled that members' out-of-pocket expenses should be defrayed by the Government. In some cases, the members could not have afforded to pay expenses out of their own pockets.

As the new campaign was about to commence, Holman was informed that the *Daily Telegraph* was about to launch an attack upon these payments of expenses to members of Parliament. Accompanied by two leading Oppo-

sition members, Holman first visited the *Herald* office where Mr J. O. Fairfax, a member of that proprietary, readily agreed that Holman's action was justifiable, and could not fairly be criticized. Next came a visit to the *Daily Telegraph* where the editor, Braham, and its talented leader writer, Courtney, gave the deputation a cool reception, but at last agreed to the view submitted by Holman. Meanwhile, one Sydney evening paper, the *Sun*, had ferretted out the "story" which it published with streamer headings introducing a bitter attack upon the Holman Government. This action Holman resented, and he commented:

This article finished everything. Members who had before been held steady in this job with some difficulty were now driven out of it altogether by this seasonable bit of yellow journalism. Half the Labour campaigners withdrew their names that day, and several of the Liberals, and by the next day, all prospect of a second recruiting campaign was at an end. The Chairman of the *Sun*, Mr Denison, has been very properly honoured by the Imperial Government since then, but it was for other services to the Empire than those rendered on this occasion.⁵

In resenting criticism of his decision to pay the expenses of members of the legislature, Holman failed to realize the tremendous strain and anxiety in every family from which a member was absent at the front. That burden was far greater than that of any politician. It was almost too heavy to be borne. Therefore, it was not too much to expect that public men should walk far more warily than in the days of peace.

It was necessary to live in such an atmosphere in order to understand, for instance, the point of view of Frank Iredale, the famous international cricketer who had organized a sportsmen's battalion in Sydney. Iredale said of those politicians who had drawn recruiting campaign expenses: "It is a terrible reflection on their loyalty and patriotism." Holman should have passed such criticism by. It was unjust but easily explicable. But Holman gave vent to his indignation. The total amount of expenses paid to members had been only £90. Holman was particularly annoyed because his confidential circular to members of Parliament must have been furnished by some member to the *Sun* newspaper. He rose in his place in the House to "condemn the sneaking anxiety of certain individual members of the House to show out as the good boys of the class at the expense of their fellow members". According to him:

. . . the whole dirty cry had been raised to disturb fraternal relations which had been established between the political parties for war purposes. The whole responsibility rested with certain journals and with certain honourable gentlemen who had no souls to call their own; and who danced like marionettes to the press every time the string was pulled.

Disappointed at the apparent absence of specially spectacular results from the recruiting meetings, and failing to make a careful analysis of the actual recruiting figures, Holman's thoughts gradually turned towards the idea of compulsion or conscription which made a quick appeal to his intense dislike of casual and unorganized effort. In September 1915 he announced to the Press that he would support the general purposes of the Universal Service League, then recently formed at Sydney. The league, which was for the most part manned by anti-Labour sympathizers, advocated the principle of universal compulsory service, both military and civilian. One of the league's objectives seemed to be attained when, in July 1915, the Federal Parliament passed a Wartime Census Bill, requiring all males between eighteen and sixty years of age to furnish information to the Commonwealth as to physical fitness and financial resources. The policy embodied in the Act was equivocal; it suggested heavier levies upon wealth or else an attempt to provide the machinery for oversea conscription. As to conscription, members of the Fisher Government made frequent disclaimers. But on 22 August Holman said:

If it becomes necessary, I will support conscription in order to enable Australia to fulfil her national obligations in respect of the war. Conscription is the most logical and satisfactory way out. If the voluntary system does not work satisfactorily, I shall not hesitate to support conscription for this war.⁶

This statement was not fully considered and was made in the course of a casual Press interview. However, there was no sign that the Federal Labour Government was contemplating conscription for oversea service even as a remote possibility. On 16 July 1915, while the Wartime Census Bill was under consideration, Hughes had unambiguously declared: "In no circumstances would I agree to send men out of the country to fight against their will." Further, on 24 September, at Melbourne, Fisher informed a deputation of the trade unions that he and the Ministry were "irrevocably opposed to conscription". On 2 October, at the Eight Hour Day Dinner at Sydney, Hughes made a brilliant speech, the tenor of which was the defence of Australian trade-unionism. Holman spoke in the same strain, praising the Labour Council—the central organization of the unions. "If ever," he said, "I cannot meet that body with a clean conscience and with clean hands, that moment I will cease to be Premier of the State."

But the propaganda of the Universal Service League continued, and on 15 October 1915, the New South Wales Political Labour Executive issued a formal warning that it was inadvisable for Labour members or supporters to deal individually with the controversial issues raised by the League.

Late in the same month, Fisher resigned the prime-ministership and reached the haven of the high-commissionership in London. Hughes was

elected by the Federal Labour Caucus to take his place: at once the tempo of Australia's war efforts appeared to accelerate. On 12 October Hughes declared that already Australia's war contribution "having sent to the front larger forces than any other part of the Empire, having equipped and transported more than 80,000 men in Australian ships to the distant posts of danger, was magnificent". But, appointed Prime Minister, he was determined to redouble Australia's efforts.

Hughes's first move was a very daring one. In April 1915 the Interstate Labour Conference, which possessed supreme authority over all such questions, had decreed that, notwithstanding the defeat of the constitutional referendum in 1911, and its second but very narrow defeat in 1913, a third attempt must be made to acquire for the Commonwealth Parliament power to legislate on labour matters, upon trade and commerce generally, in relation to trusts and combines and also to industrial arbitration. The conference was clearly of opinion that the war problems made the matter more and not less urgent. At the time of this decision it was thought that during the war such crucial matters as price fixing and industrial arbitration would remain as much outside Commonwealth control as undoubtedly they had been in time of peace. As has been noted, it was not until June 1916, in the famous "Bread Case", *Farey versus Burvett*, that the High Court held that, in time of war, the Commonwealth could exercise the widest jurisdiction over matters of trade and industry, though these topics were normally within the exclusive jurisdiction of the States. In the particular case, a War Precautions Act regulation fixing the price of bread within a city area, was held to be valid upon the ground that the measure *might* assist in defending the Commonwealth and that it was for the Government alone, and not for the courts, to decide whether it did so assist. Sir Samuel Griffith, C.J., laid it down that: "What could not rationally be regarded as a measure of defence in time of peace may be obviously a measure of defence in time of war." This judgment meant that, for the duration of the war, the Hughes Government, acting under the War Precautions Act, was to enjoy almost complete legal power over every part of the social and economic life of the Australian people. As a consequence, Hughes himself was practically able to govern Australia "with a fountain pen" plus a good legal adviser. He had both instruments, Sir Robert Garran being the legal one. The only check upon him was the Federal Parliament itself; when it was in recess, Hughes's position was almost that of a dictator.

Little dreaming of the authority which the High Court decision would subsequently confer upon him, and which would make the proposed referendum almost unnecessary for any special war purpose, Hughes, as Prime Minister, summoned the Federal Labour executive, and obtained its approval to an agreement between himself and the State Premiers. Under that agree-

ment, for the war period and one year thereafter, the State Parliaments were to transfer to the Commonwealth Parliament the power to legislate in relation to a substantial portion of the additional powers Hughes required: and, in turn, Hughes agreed that the Constitution Alterations Bill,⁷ which had been passed by the Federal Parliament, would not be submitted to the popular vote. In a very real sense, this compromise was a justification of Holman's conciliatory attitude in 1911, as well as of his skill in the recent negotiations with Hughes. After the official announcement of the compromise, Holman said that the agreement heralded "a new era in politics in Australia" because it set up a practical working scheme reached by agreement of all parties concerned. But the "new era" of politics was of very short duration, for the Legislative Councils of most of the States saw fit to repudiate the agreement and it was New South Wales alone—mainly as a result of Holman's driving power—which passed the necessary legislation transferring the powers to the Commonwealth.

In November 1915 it was also announced that, at the invitation of the British Government, Hughes would visit England early in 1916. In the same month, the Commonwealth Government through Hughes launched a "call to arms" for the purpose of raising a special force of 50,000 men in addition to the ordinary numbers required for reinforcing the A.I.F. In order to organize the necessary recruiting, a Federal Parliamentary Committee was appointed to act in conjunction with the State War Committees. A personal appeal was sent to every man of military age and reasoned answers were requested from those who were not willing to volunteer. Then came the by-election for the Queensland seat vacated by Fisher. Hughes visited Brisbane, and, on 8 December 1915, he qualified his previous pledge on conscription by declaring: "So far as I know, I believe, and I hope, no circumstances will compel the adoption of conscription." The Brisbane Industrial Council protested against what it regarded as the inquisitorial methods of the "call to arms" campaign, and, in January 1916, as Hughes left Australia secretly by an American boat, the Australian Workers' Union carried a specific resolution against conscription. From January until his return in August 1916, Hughes made no further references to the application of conscription to Australia. During his absence, the organization of the new recruiting campaign in New South Wales was mainly in the hands of J. H. Catts, a Labour M.P. Under the official scheme it was hoped that New South Wales would raise 36,000 volunteers between December 1915 and June 1916.

Late in 1915 Holman attended a special meeting of the executive of the Universal Service League. He urged it to "wait and give Mr Hughes a chance of seeing what can be done under the voluntary system". The league decided to "stand easy" pending the New South Wales recruiting campaign. Holman advised the league that they should pin their faith on Hughes, for "after the

finishing of many illusions and the shattering of many reputations in the political life of Australia, the compelling ability and commanding power of Mr Hughes had survived".⁷

It should be recalled that, from 1903 onwards, Hughes had openly advocated universal compulsory military training for Australia. In 1905 when Hughes became secretary of the Australian National Defence League, Holman had accepted a position on its executive. Further, it was the Labour Party which was mainly responsible for the acceptance of the principle of compulsion both by Deakin and Reid. In July 1911, when the compulsory training system commenced to operate, Labour was in power. Between then and March 1915, there were no less than 34,000 prosecutions for refusals to drill, and Dr Jauncey in *The Story of Conscription in Australia* and J. N. Rawling in his pamphlet *Conscription in Australia*, both ascribe the organized opposition to the idea of conscription for service overseas to the unremitting pacifist and socialist agitation conducted wherever the penal provisions of the Defence Act were enforced against cadets in time of peace.

While Hughes was in England, the subject of conscription was frequently raised in the trade unions and Labour leagues. For socialists, there could hardly be any universal or absolute guiding principle on such a question. It raised an issue not of principle but of expediency, with the onus bearing heavily against those who advocated compulsion. In a socialist world of socialist republics, the need for compulsion would disappear; on the other hand the absence of compulsion might lead a socialist or democratic state to be overthrown by states under military dictatorship. But, on the whole, the opinion in Labour circles gradually hardened towards the belief that in Australia's situation, overseas service was neither expedient nor necessary.

CHAPTER XLIII

OPPOSITION STRENGTHENS

MEANTIME, Holman had to deal with many embarrassments of domestic politics. In September 1915 Thomas Brown, Labour member and temperance reformer, secured the adoption by the Assembly of a resolution in favour of advancing the closing hour of licensed premises from 11 p.m. to 9 p.m. The publicans' organization, the majority of whose members claimed to be supporters of Labour, protested to Holman, who agreed that there was little or no evidence of serious drunkenness among the soldiers, and that it was practically impossible to put a stop by law to the practice of "shouting" drinks at the saloons. During the Assembly debate, Holman suggested that Labour members who supported Brown's resolution had no caucus authority for so doing; but Carmichael, no longer a minister, replied, not inaptly, that Holman's sudden regard for caucus rule was "one of those skilful manoeuvres which we all admire and appreciate in the hon. member when they do not operate against ourselves but against our political opponents".¹

Late in September the temperance organizations publicly offered to cease their agitation in favour of closing hotels at 6 p.m. if the Government would agree to 9 o'clock closing as a war measure. But Holman would not accept, and it was some little time before he announced that the Government had decided to fix 10 p.m. as the closing hour, instead of 11 p.m. The immediate result was a series of meetings of protest throughout the State and Holman was much criticized for having said that any further reduction of the hours of sale would concentrate the traffic and increase the sale of liquor. Next Holman employed the contemptuous term "wowser" to characterize the temperance agitators, and so came under the whip of the head of the Methodist Church. Holman's disarming answer was that "it was difficult to carry on any controversy with the *Daily Telegraph* without sometimes unconsciously descending to its general level". But the question of the closing hour remained unsettled, for the Legislative Council, ever intent on embarrassing Holman, refused to accept the Assembly's proposal.

Early in December the death of an Opposition member left a vacancy at Parramatta. The Liberals astutely put forward as their candidate Albert Bruntnell, a very strong temperance reformer. The Labour Party foolishly decided to contest the seat. The foolishness did not lie in Labour's breaking any obligation of political truce, for the truce had long been broken as Wade openly resumed political attacks on the Government. But it was extremely foolish for Labour to choose Parramatta as a battleground and a temperance

leader as an opponent. The inevitable result was a very great increase in the Liberal majority. Although Holman bravely suggested that the defeat was due to the fact that more Labour supporters than Liberals were at the front, Wade and the daily newspapers greeted the result as foreshadowing the early downfall of the Labour Party.

On the Monday following the by-election, a disturbance among the soldiers at a large military encampment near Liverpool was followed by a shocking scene at the Sydney Central Railway Station. About thirty soldiers, who were mostly under the influence of drink, attacked a military guard, turning a fire hose against them. Ultimately shots were fired, one soldier being killed and nine wounded. Before the actual rioting commenced, Holman had prudently ordered the closing of all hotels in and about the city area. The day's business involved a setback to Holman's prestige, especially when the Federal authorities, acting under the War Precautions Act, ordered the closing of the Sydney hotels at 6 o'clock until further notice.

Immediately on top of this, Beeby, now "leader" of a farmers' political group, although not himself in Parliament, joined with Wade in announcing that the Liberals and farmers had decided to unite against Holman at the next State elections. Holman realized that his own obstinate and unreasonable attitude on the liquor question had been largely responsible for the continuance and force of the agitation, and he decided to submit to a referendum vote the question of the closing hour. On the ballot paper, each elector was given six choices, that is, each of the hours from 6 p.m. to 11 p.m. At the poll taken in June 1916, 329,000 voted for 6 p.m., and only 169,000 for 9 p.m., the vote for the other hours being insignificant. Thus, on an important public issue, Holman's personal, but openly expressed, view had been rejected by an enormous majority of the electors.

While such agitations confused and disturbed the Government, Holman was making no progress in carrying out Labour's platform. After the first war-time increase of only threepence in the income tax, there was no further increase. Indeed, Holman actually claimed credit for keeping taxation so low. But at last some members of the Labour movement were beginning to ask the question—should not wealth bear a heavier burden than it was doing? Should not conscription of wealth precede conscription of life? Fisher's slogan had mentioned "the last shilling" as well as "the last man".

Holman was not unaware of the very serious implications of the unfair methods of war-time financing. Speaking at the Millions Club on 24 November 1915, he said that, "To pay for war expenditure out of loan money was to eat up the capital of the community. To pay it out of taxation was, as far as possible, to spend only the income of the community." The *Sydney Morning Herald* was critical of this speech only because war functions had been committed to the Commonwealth, not to the State Governments, so that

only the former should increase direct taxation. But Holman's views were adopted and clarified by Frank Tudor who, when he became Federal Labour leader, said:

The cost of the war should be borne by the wealthy whose wealth has been created and supplemented by the sacrifices of the people of Australia. No duties for revenue only should fall on food or necessities. There should be no tax the incidence of which might be easily transferred to the producers or the consumers.

All this was substantially in accordance with the traditional Liberal theory that in time of war there should be very high direct taxation as opposed to borrowing. Unfortunately, Labour's policy on war-time finance was never adequately studied or accurately defined. Its Federal platform had always laid it down that defence expenditure should be borne by direct taxation. But it was not until 1918—when it was almost too late—that Labour seemed to realize that the wealthier classes were coming through the war comparatively unscathed.

It was only when the harm had been done and the war burden had been transferred by the Australian legislatures to the "lost generation" and its successors, that intelligent critics of all parties began to see the light. Thus, in 1918, the *Sydney Morning Herald* asked: "Are we to pass the whole of the cost of the war on to posterity?"

The same newspaper, almost alone in its Liberalism, also urged that Australia should not continue borrowing to so large an extent for war purposes, because "every other nation which can do so has sought to raise part of the cost of the war by taxation" and "the principle that money made directly or indirectly owing to the war should be heavily taxed is sound and ought to be observed".²

But these statements of well accepted Liberal and also Socialist principle emphasized what was omitted, rather than what was done, in relation to war finance in Australia. Holman, as State Premier, was not directly concerned with war financing. But he was among the first of the Labour leaders to appreciate the importance of strictly regulating war-time borrowing and of placing the burden of war taxation upon wealth. He did not pursue the matter sufficiently; so unfortunately he missed a great opportunity of helping to save Australia from the overwhelming burden of debt attributable to the war. For the greater portion of the war, the criticism of war-time finance was left almost entirely to a few socialists like Frank Anstey whose lonely voice exclaimed:

There was no protest from Labour conferences, Labour Unions or Labour press. All alike were under the spell of the fetish that unity in action demands deafness, dumbness, blindness in the presence of every violated principle. Yet

if a movement when it gets power does not function for the purposes for which it was created, if it deserts what it was pledged to defend, if it abandons principle after principle, then unity in action is valueless and the hopes of men are an ever-retreating mirage.³

It is fair to say that in respect of war taxation and war finance, the main responsibility for Labour's too ready recourse to the easy but ill-considered, slipshod and appallingly dangerous expedients of over-borrowing, inflation and indirect taxation, is to be borne not by Holman but by the Federal Labour Party and its leaders. There seemed to be little or no adequate facilities for investigation of and research into the great fiscal questions created by the war. To be sure, Holman, Tudor, Anstey and several others indicated a correct general approach to some of the major problems. Neither Hughes nor Holman himself showed sufficient appreciation of the crucial importance of Government financing from a Socialist, Labour or even a Liberal angle. In the result, little or nothing of a constructive character was done until it became too late for Labour to retrace its steps. In the emergency of war, wealth can have little or no answer to the demand that it must bear the main costs of defence. But when the emergency is over, measures which have even the flavour of retrospectivity can be successfully resisted. In these issues of pounds, shillings and pence, posterity is seldom possessed of an advocate.

Even the Commonwealth income and war-time profit taxes and the Commonwealth estate duty had very little effect in mitigating one of the greatest evils caused by the war—the concentration of great wealth and economic power in the hands of a comparatively small class. The irony of the position is that these disastrous results might have been avoided but for the Australian Labour Party's failure to grasp the significance of the question involved until its own internal divisions made effective action impossible. It may well be that, to some extent at least, such internal divisions were accentuated if not created by interests who would have been adversely affected by a more liberal or more radical policy of war finance.

Holman could point only to two important Acts as the achievements of the 1915-16 session. The Fair Rents Act, 1915, established a principle of importance by creating a permanent tribunal for the fixation of the "fair rental" of certain dwellings. The second enactment was the Eight Hour Act of 1916. By it, the New South Wales Industrial Court and all boards were compelled to enforce the standard hours of labour. The standard fixed was an eight-hour day of six consecutive days, or forty-eight hours weekly, or ninety-six in fourteen consecutive days.

Holman himself was somewhat sceptical of the Eight Hours Act, thinking that since the eight-hour principle had already won general recognition in

the awards, it was not required. Like Hughes, Holman had little patience with detailed analysis of legislation unless there was some occasion of outstanding importance.

During this trying period of conflict with his own party as well as with the Legislative Council, Holman seemed to have passed the high noon of his enthusiasm for socialist and Labour principles. But personal likes and dislikes played their part as much as general scepticism. As a result of the decision of the Labour Conference of 1914, he had determined that, if his friend McIntosh was not acceptable to the party, no one should be appointed to the Legislative Council. Holman's lack of enthusiasm for the industrial legislation of the party was due in part to the excitement and distraction of the war. It was also increased by the decisions of the conference of 1915. Yet to that conference he had given definite undertakings. After the conference, where he had openly acknowledged his obligations to McIntosh, the relationship between the two became even closer; for Holman was the last man in the world to abandon a personal friend, even although such personal loyalty involved the sacrifice of his own interests, or even those of his party.

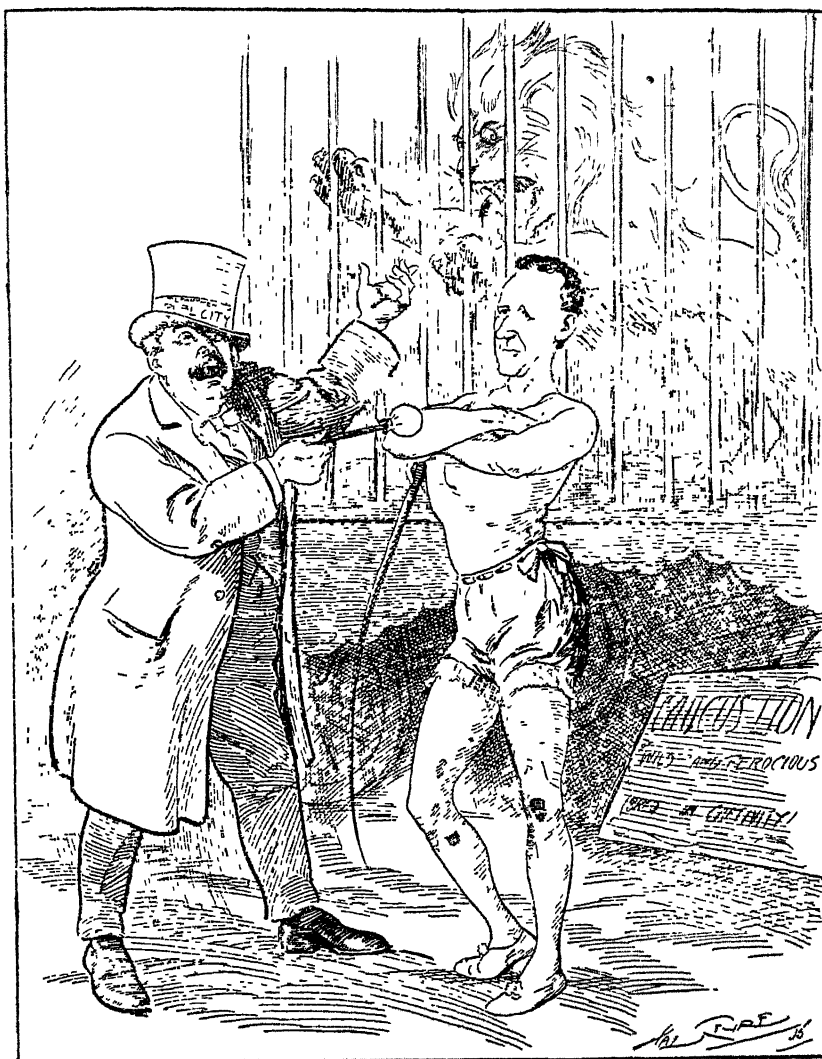
Late in 1915 McIntosh interested himself in the affairs of a body calling itself the "British Empire League", and consisting mainly of demonstrative patriots. Whilst professedly non-political, the league included few, if any, Labour supporters among its membership. All of a sudden the intense calm of the Royal Society's rooms which were usually devoted to the proceedings of very learned societies, was broken by an uproarious meeting at which H. D. McIntosh contested the presidency of the British Empire League with the aged and almost venerable Sir William McMillan. In one month, the membership of the league had shown a miraculous increase of nearly 200. Moreover, by a strange coincidence, the new members seemed to be unanimously in favour of McIntosh's candidature for the presidency. According to McMillan, not one member of the new recruits (whom he called "the brave 200") had previously shown the slightest concern for, or interest in, the welfare of the British Empire League, or even the British Empire itself. Many amusing incidents took place at a series of meetings of the league, and, on one or two occasions at least, they provided excellent war-time entertainment for cynical spectators, as well as excellent copy for the anti-Holman Press. When, at one meeting, Sir William McMillan ruled that the business of electing a president could not be lawfully proceeded with, the "brave 200" took the business out of the chairman's hands and proceeded to elect McIntosh to the dignified position of president of the British Empire League. As this organization had displayed an interest in local politics chiefly in order to expose some alleged act or speech of disloyalty on the part of a

Labour leader or politician, the publicity given to the affair did little to conciliate McIntosh with the Political Labour League.

But McIntosh was now firmly established in the business of a leading theatrical entrepreneur. In July 1916 Holman sought distraction from the political troubles of Sydney by travelling with McIntosh's vaudeville company on a short theatrical tour to Fiji. As Holman accompanied such comedians as Billie Rego, Walter Weems and Jack Cannot, together with the Tivoli Follies and McIntosh himself, it was almost inevitable that the phrase "Holman's 'Cabinet des Folies'" should be coined. By this time, McIntosh had obtained control of the Sydney *Sunday Times* and *Referee* newspapers, and the former soon became recognized as Holman's semi-official organ. The very close friendship of Holman with a rival newspaper proprietor greatly accentuated the opposition to Holman on the part of other Sydney newspapers. The *Daily Telegraph* gave him little rest. The *Sun*, which on Sundays became a competitor of McIntosh's *Sunday Times*, frequently ridiculed Holman and gave the fullest publicity to McIntosh's public performances at the uproarious meetings of the British Empire League. On the other hand, the *Sydney Morning Herald*, though usually hostile to Holman, showed no personal malice. But when, at the end of 1915, a deadlock occurred in the City of Sydney's Municipal Council, by reason of an equal division in the voting for Lord Mayor, and the Holman Government passed a very useful provision that, in such instances, the Lord Mayor should be nominated by the Government of the day, even the *Sydney Morning Herald* made the very unfair comment that the Labour Government had "simply been base as usual".

Attracted by the actual or apparent social graces of persons of the political Right, Holman the more easily slipped into increasingly bad terms with the left wing of the Labour Party. He announced that, in order to keep in employment many Cobar miners, the Government had arranged to extend financial assistance to a mining company. To the announcement he added the exciting but gratuitous corollary—"Meanwhile the problem of Cabinet Government with the assistance of the caucus and of several morning newspapers is not becoming any less complex as time goes on." During the 1915-16 session, the Government was frequently attacked in the Assembly by certain Labour supporters, the allegation being that the lower grades of the Public Service had not been treated by the Government as fairly as those in the higher grades. On one occasion, Holman completely lost his temper with Gardiner, a Newcastle Labour member. He said:

I now beg to give that member public warning. He has already been warned privately. We do not want the votes of men who speak about the Government as he has done today. If the Government cannot live by the loyal support of its pledged supporters, it will not live by the support of men who have acted



HOLMAN "DARES" THE LABOUR CAUCUS

THE SPRUIKER: He will next, Ladies and Gentlemen, demonstrate the magnetic influence of the human eye over the wild, untamed, roaring lion, by putting his head between the jaws of the lion and defying him to bite him.

From the Sydney "Daily Telegraph". Drawing by Hal Eyre.

as he has done. If the hon. member makes another speech like the one he made today in this House, I will have him expelled from the party, or I will leave it myself.⁴

For the first time, Holman indicated that he regarded the break-up of the Labour Government as no longer impossible. Pointing dramatically at Gardiner, he said:

If he is one of the "cave," let the other members of that "cave" go with him, and let them vote as well as speak with the side they support. I say this plainly to the hon. gentleman and I hope my words will be reported in the press. I want to tell that member that he is now at the parting of the ways. It may lead to a serious crisis in the history of the Government, and the loss of his vote and the votes of others like him may bring about the overthrow of the Government.

Gardiner replied that what he and other members of the caucus were finally and determinedly opposed to, was Holman's failure to carry out Labour's legislative policy; and, in the lengthy controversy which ensued, some of the unions carried resolutions approving of Gardiner's attitude. The Premier forced the issue in caucus and several special meetings were held, the result of which he at once announced to the Press. He said that a motion of censure upon the Government, which Gardiner had proposed in caucus, had not yet been fully debated by the malcontents. He added: "They are anxious to censure the Government about something although they do not know quite what it is." Mainly to consolidate the party while the threat of dissolution loomed ahead, caucus defeated Gardiner's motion by 34 to 6; but Gardiner explained to his constituents: "I have been a traitor to Holmanism but not to Labour."

But this caucus vote did not end Holman's troubles; for the real grievance was far more significant than a personal quarrel. Shortly afterwards, when an Upper House amendment was being considered in the Assembly, many Labour members rose to object to the Premier's proposal that the Chamber should accept the amendment rather than lose the whole Bill. Again Holman threatened to resign if the Government was defeated, but a prominent Labour member answered: "I don't care if the Government ceases to exist or not." In the Assembly, the controversy between Holman and his Labour critics became so heated that John Haynes brought down the House by asking Holman: "Do you think it would help the situation if we on this side temporarily retired?"

In the normal course, the next general election would take place at the end of 1916. By the end of the 1915-16 session, the Upper House had become fully aware of the gradual decline in the Government's prestige; and the *Daily Telegraph* boasted that the star of the Holman Government was "rapidly on the wane and that it was without control in either House".⁵

CHAPTER XLIV

THE LABOUR CONFERENCE OF 1916

At the end of the barren legislative session of 1915-16, Holman had again to face the annual conference of the party. At the conference of 1915 he had promised to democratize the Upper House. That promise necessarily involved additional Labour appointments. But none whatever had been made. Those Government Bills which were not thrown out or shelved by the Legislative Council, were dropped by the Government itself. On the other hand, the Federal Labour Government of Hughes could hardly be censured by the conference. It had an almost perfect excuse not only in its war duties but also in the widely prevalent belief that the Commonwealth had no general jurisdiction over labour, industry and domestic commerce. Moreover, Hughes was still abroad—a conclusive alibi.

After the suppression of the Dublin rebellion of Easter, 1916, a more critical attitude towards British war policy quickly developed among two important sections of the Labour movement; first, those of Irish birth or descent, and second, the more radical or socialist wing of the party. At any rate Holman could not hope to swing conference behind the State party on any cry of nationalism because, after all, the conduct of the war in Australia was the concern of Hughes, not Holman, and every Labour delegate knew it. Not only had the State Government failed to implement its industrial policy, but, owing to the lag of wages behind the rapidly increasing cost of living, the wage standard of the working classes was not even being maintained.

Up to this point, there was no organized opposition to Hughes; indeed, the P.L.L. executive summoned irony to its precincts by stating in its annual report to the conference of 1916 that, "This great personality (W. M. Hughes) has already convinced the British people that Australian statesmanship leads the Empire in its grasp of the complex problems which the war has forced upon the Empire and its Allies."¹

J. D. Fitzgerald, one of Holman's ministers, presided at the conference. From the first moment, it was evident that the State Government would be strongly attacked. In anticipation of strong criticism, Holman had prepared a written pamphlet describing some of his administrative achievements of 1915. In reply, the industrialists alleged that, although there had been a sound administration of the established education and health policy, trade union interests had been entirely neglected by the Government. The Upper House question was featured, and it was alleged that Holman would endeavour to

control conference by holding out to doubtful delegates the bait of a future appointment to the Council. The industrialist section reply also stated:

The attitude of the Holman Government on this matter is notorious. Nothing our Government may do in the workers' interests in the Lower House can prevail while privilege is entrenched in the Legislative Council. This House can and does, emasculate or destroy any bill that contains even the shadow of justice for trade unionists and it becomes increasingly impudent in its rejection of democratic measures, as public opinion seems to turn against the Labour Government. To remedy this state of affairs nothing has been done during the past year.²

On 26 April 1916 the second blow at Holman was struck by conference. By 105 to 68 votes, his Government was severely censured for its attitude over the Upper House. Holman's defence was that the long session had been most strenuous, that ministers had done their best and could do no better. It would be fatal to conduct the next election campaign upon the Upper House issue. He warned conference that, after the war, even the retention of existing standards of labour might be very difficult. He said that: "Ministers would not, if conference decided against them, be 'starters' in the next election, except as private members. However, he had lived as a Labour man and he wanted to die as one."³

Holman then attempted to throw upon conference the onus of dismissing him from the premiership. He said:

When a horse is running at top speed, it is no use applying the whip—the only course is to get a horse that can run faster. We have done our best; we can do no more. It may be a poor best, but it is our best. It is no use your saying "You must do more." We plainly say: "We can't." You may be able to get someone else who can, and for myself I can say I shall gladly make way for any man you may elect to lead the party. I can speak for my colleagues also, and say they will take their gruel like men if you ask them to step down, and select other Ministers. We will walk out, gentlemen, walk out as men should walk out—and will loyally support the leader you may select.⁴

Upon the carrying of the censure resolution, Holman at once summoned the parliamentary caucus. At his suggestion, caucus agreed that the censure of the conference affected the parliamentary party as a whole; and it was decided that the conference should now be asked to say definitely whether the ministers' resignations should be accepted. Accordingly, the caucus agreed to dispatch special delegates to conference. These were headed by John Storey and did not include any members of the ministry. On the following evening, Storey explained to conference that the resignations of the ministers were in the hands of caucus, and, if the conference still persisted in its censure, new elections for leader and ministers would be conducted forth-

with. Storey echoed Holman's clever phraseology when he added that conference could hardly expect the parliamentary party to "blackleg" on the ministry. The conference adjourned. On the following evening, while it reaffirmed its censure on the Government over its failure to deal with the Upper House, it also explained that its resolution had not demanded the resignations either of Holman or of his ministers. An amendment, moved by J. C. Watson, proposed to withdraw the censure, but it was badly defeated. At this moment one Labour member (McDonald) resigned his seat in the Assembly as a public protest against the Government's allowing conference to assume to dictate the resignations of ministers of the Crown. Meantime, the result of the election of the incoming P.L.L. executive was announced, almost every office falling to members of the industrial section, although Holman himself was re-elected to one of the thirty executive vacancies.

Back at the caucus, Holman's tactics were continued, and it was decided by 17 votes to 9 that the resignations of all members of the ministry should be accepted. The election of a new leader was at once proceeded with, and with Holman's support, John Storey was elected.

Holman's object was apparent. He wanted to bring home to the conference delegates a full realization of the fact that, if all ministers were changed, and his own services as an electoral organizer were no longer available, there would probably be an overwhelming party defeat at the forthcoming general election. He kept up the bluff by announcing publicly to a deputation that, at any moment, ministers might be retiring in order to be replaced by other Labour ministers. As soon as Storey was elected leader, he and Holman conferred. The latter's subsequent description of the situation was revealing:

Mr Storey himself was overwhelmed by the unexpected change, and confronted now by the bleak prospect of almost unbounded responsibility coupled with the most limited chances of success, he finally arranged with me not to take any steps in the direction of handing in our resignation to the Governor until the next day. He nerved himself for the ordeal of appearing at the Conference that night as the Party's new leader. The rapidity and decision of these measures brought the plans of the Industrialist section into entire confusion.⁵

Meanwhile Holman and Griffith were in touch with some of the leaders of the industrial section and a *modus vivendi* was arranged by which it was agreed that, concurrently with the general election, a referendum on the abolition of the Upper House should be held. John Storey duly appeared at the conference, and emphasized the difficulty of his own position and the danger of a landslide against Labour at the general election. At the pre-arranged moment, Holman dramatically reappeared and explained that, although he would refuse to fight an election on the direct issue of Upper

House abolition, he could not fairly offer opposition to the proposal of a referendum on the question. He said:

Whatever the outcome of the deliberations of Conference may be, the Labour movement will have me as an ardent supporter, if not as a candidate, so long as there is a Labour movement in New South Wales. While I have been in public life I have never stooped to do anything to save my position or to safeguard my position. During the Boer War—which was a capitalist's war—I and fourteen others opposed the sending away of the first contingent. When it was proposed to send away the second contingent I stood alone in my opposition.⁶

The agreed resolution terminating this extraordinary dispute was moved by the industrialist section leaders. It accepted Holman's assurance that a referendum on the question of Upper House abolition would be submitted to the people at the next election, and concluded: "This Conference expresses its confidence in the good faith and ability of the Holman Government to carry out its promises." The conference sitting ended in a note of mutual congratulation, Holman saying that:

He wished to say that Mr Storey had come forward in a crisis, and it was only right to say that he had not desired to thrust himself into prominence by reason of that crisis. He had been persuaded to do so rather than face an alternative that would have meant the immediate return of the Liberals to power, and though unwilling, had accepted the heavy burden of forming a Ministry.

These hairbreadth escapes from political annihilation the Sydney *Bulletin* caricatured by depicting Holman's return to the Premier's office and his being cordially welcomed by the office cat with the words: "I wish you'd tell me how you do it, Sir! I've only got nine lives."

While these proceedings well illustrated the power which might be exerted over a Labour Government by the annual Labour Conference of leagues and unions, they also showed that, under the subtle leadership of a Premier who was armed with great powers of patronage, conference might still be out-manoeuvred. At the 1916 conference it was established that the great majority of the rank and file of the official Labour movement was distrustful of Holman and extremely disgusted with the Government's legislative record. Holman's rhetorical comment on the 1916 conference—after he left the movement—was: "It was this gathering which definitely destroyed the Labour movement as it had existed for a quarter of a century and thrust our whole fair-seeming fabric of organized effort into the stagnant chaos in which it has been floundering ever since."⁷

This language was quite unworthy of Holman. Now it is true that the industrialist section had been organized to cast a bloc vote. But it is equally true that at many previous conferences Holman himself had organized on

lines very similar to those adopted by the industrialist section. Moreover, the industrialist section was not a mere casual or accidental collection of disgruntled individuals. It was representative of the majority of union delegates and genuinely expressed the general feeling of rank and file hostility towards the Holman Government. It is also true that conference's ultimate vote of confidence in the Holman ministry was practically forced out of it by the fear of the break-up of the party and the immediate return of Wade to power. But that is only another way of saying that the industrialists genuinely desired to restore Labour unity on a basis of a more active legislative policy and were only too anxious to retain Holman's leadership, providing he was honestly prepared to meet the wishes of the movement. It follows that Holman's subsequent allegation that the 1916 conference "destroyed the Labour movement" is not substantiated. On the contrary, Holman received from the conference, not only justice, but courtesy and a degree of generosity. Afterwards, Holman strongly resented the fact that, after the withdrawal of the vote of censure upon him, the conference of 1916 carried a resolution insisting upon Labour's opposition to military conscription. On that occasion Holman was absent from the conference at the Government House dinner party. But on the following evening, 9 May 1916, when the Premier attended conference, he made no attempt whatever to reopen the decision upon conscription. On the contrary, he outlined new and important Government proposals as to the repatriation of soldiers and obtained their endorsement by conference.

Thus it is very difficult to find in the proceedings of the 1916 conference any sound justification for Holman's subsequent condemnation. In substance the conference condoned Holman's previous failure to secure Labour representation in the Legislative Council, which failure was the real cause of the Government's difficulty in carrying out the industrial programme of the Labour Party. The conference of 1916 also condoned the curious manoeuvres by which Holman pretended to resign his commission as Premier with a view to forcing a withdrawal of the vote of censure. The truth is that, when he came to look backward, Holman too easily rationalized the situation from his own point of view. That point of view was no longer that of a member of the Labour movement.

From one very high quarter came pointed criticism of Holman's manoeuvring for position. Sir Gerald Strickland, the State Governor, pointed out to the Premier that "resignation" from office meant resignation to the King's representative and not to caucus or conference. The Governor expressed concern at what he described as a "novel departure in politics". Holman had no difficulty in brushing the Governor's constitutional objection aside. But mutual suspicion and dislike were engendered, and later in 1916, the Governor and the Premier came into open collision.

CHAPTER XLV

LIBEL AND SLANDER

No sooner was the 1916 conference ended, than Holman's troubles increased. Attacked by the Press, by Wade, by Beeby, and by the industrialist section, his Government was also losing much public support through defamation. Attacks upon individual ministers were aggravated by rumours so persistent as to suggest a systematic campaign of political vilification. Already a Royal Commissioner had been appointed by Holman to investigate certain allegations in connexion with the passing of the Wheat Acquisition Act. Many wheat jobbers who had contracted to deliver wheat found themselves in a disastrous position when the general Australian shortage of supplies forced the price up. The Holman Labour Government's decision to commandeer the New South Wales harvest seemed to offer a great chance of salvage to those who were on the wrong side of the market. The wildest rumours were circulated, and the Royal Commissioner was directed to investigate the question whether any ministers or officers had been bribed with the object of including in the Acquisition Act provision for the cancellation of all existing contracts for delivery of wheat. The investigation showed that a Sydney solicitor, one W. H. Drew, had received a fee from certain wheat interests for endeavouring to procure the insertion of cancellation provisions in the Bill, the fee being almost extortionate in view of the nominal amount of legal work involved. The inference that some of the money had been corruptly paid by the solicitor, or corruptly received by a minister, was directly negated by the evidence, and so the Royal Commission reported to the Governor. Nevertheless the resulting suspicions and gossip drew something of a cloud over the Government. Incidentally the investigation had well illustrated the possibility of ministers being utterly discredited although they were entirely innocent of wrongdoing; for it became evident that a criminally minded person could pose as a go between, and receive money for the purpose of making corrupt payments to a minister, could pocket all the money himself while representing to the interests concerned that the minister had been corrupted. With war-time standards of morality rapidly replacing those of peace, and enormous opportunities presented of "graft" money in connexion with war-time contracts, many people came to believe that wherever there was ground for suspicion there was certain guilt.

Early in 1916 it came to Holman's ears that serious imputations had been made against Griffith in connexion with a Cabinet proposal to purchase the local business of the British Imperial Oil Company with a view to establishing

a Government monopoly over the sale and distribution of petrol within New South Wales. In January the local officials of the company wrote to their London board that the Holman Government was negotiating with them through an agent, one Morgan, and that Morgan had demanded four per cent on the proposed purchase price as "lost money"—a payment which should be reckoned as an outgoing by the company because other companies were willing to make a similar payment. The letter so well illustrates the intolerable atmosphere of suspicion and innuendo that it must be quoted:

The whole business appears to us to be a fair sample of Tammany practice, and we only regret that we should ever have had to place before you such a proposition emanating from a responsible Government. However, we may mention that this same Government about 12 or 18 months ago concluded a £10,000,000 contract with Messrs. Norton, Griffiths and Company, large contractors, for the provision and construction of an underground railway in Sydney and it is openly mentioned that the Government Ministers and officials got about £65,000 out of Messrs. Norton, Griffiths and Co. as their share of the spoil. We are convinced that the present proposal in connection with the petrol industry is not one propounded for the benefit of the Nation or the State, but more for the purpose, if they can succeed in getting any one to come to their terms, of securing a very nice income for some of them for years to come, whether they are in power or not.¹

Griffith had been requested by Cabinet to investigate the question of the Government's establishing a petrol monopoly and, after receiving the advice of a trusted Government official, he placed the negotiations in Morgan's hands. When Holman heard of the suggestion that corrupt payments had been demanded, he at once appointed Mr Justice Pring as a Royal Commissioner to investigate the whole affair.

Here another important aspect of the case should be mentioned. As Mr Justice Pring subsequently stated, the oil company's officials were very strongly opposed to any scheme of State monopoly, and, in charging corruption, their main object as stated in their evidence, was "to kill the scheme".

At this stage, then, the company's officials decided to disclose their "information" to the Government, not with a view to punishing a most serious criminal offence, but for the purpose of protecting their business against the possibility of State interference.

The Commissioner found that there was no evidence that Mr Griffith was guilty of corruption, or of any intention to share in moneys illicitly paid. But he went on to say that "the fact that Mr Morgan made proposals which undoubtedly involved the Minister must give rise to the suspicion that he had some authority to make them. . . ."

With all respect to the learned judge, the very situation which had, in his opinion, existed was one in which it was possible or probable that the

"agent" would endeavour to obtain payments for himself upon the false representation that a third party was going to receive the money. It is difficult to accept the view that there is ground for suspicion merely because a person represents to an interest (which is ready and willing to make corrupt payments) that he *is* an authorized intermediary for the corrupt purpose.

The Petrol Commission well illustrates the kind of calumny to which the Holman Government was being exposed. No evidence against ministers, but the most serious rumours and whispers; investigations under oath before a judge disproving ministerial corruption but providing more material for use by the political enemies of the Government.

It is not surprising that Holman was greatly concerned at the growing recourse to scandalous defamation of ministers:

I do put it to hon. gentlemen on both sides of the House that this kind of political fighting should cease. Surely there is something more in the honour of Parliament than a personal readiness to snatch at the first rag of scandal that flutters in the breeze, and make that the banner under which the fight is to be fought. Is there to be no *esprit de corps* in this House? Are hon. members to abuse each other like fishwives every time the smallest difficulty arises? I should like to know into how many corners of this State the stupid slander about my wife has not penetrated—the slander of which every hon. member has heard, that she robbed the Australia Day fund. Ridiculous things of that kind are neither believed nor supported by hon. members within this Chamber but are, let me tell hon. members, part of the stock-in-trade of the baser kind of Liberal worker outside.

Holman's speech on the Petrol Commission was reprinted and widely circulated together with an appendix which gave the *Herald's* and *Telegraph's* published reports of the speech. Comparison was invited and it certainly appeared that Holman's argument had been quite inadequately reported by the Sydney daily Press.

The means by which rumours of corruption were being spread are also illustrated by a slander action brought by Griffith against a Sydney publican. The action was tried before a jury on 12 July 1916, and there was a majority verdict for the defendant. The slander was alleged to have been uttered by the publican while in the course of serving drinks to some customers. Gossip and tittle-tattle were narrated, and Holman's name was said to have been mentioned, the suggestion being that liquor interests had paid money to the Labour Government in order to keep the closing hour of hotels at 11 p.m. One of the "drinkers" was alleged to have said: "That is untrue, for Mr Holman is a poor man and an honest man"; whereupon the defendant was supposed to have said: "Anyway Griffith cannot get out of it because I know he does receive money." Griffith gave evidence denying the truth of the

imputation. Now the defendant did not set up that the imputation was true; his only defences were: (i) that the slanderous words were not spoken at all, and (ii) that, if spoken, they were spoken on an occasion when Griffith was not likely to be injured. But the mind of the average man could hardly be expected to appreciate the significance of the jury's verdict. All he knew was that Griffith lost his case and that some witness said that another person had said that Holman had "got a cut out of the Australia Day fund". This most serious imputation was fantastically impossible, because the fund was entirely controlled by Treasury officials and public auditors. But what of it? In the House, Wade raised a discussion on Griffith's case and Holman actually consented to the printing of all evidence given in court. Why Holman agreed it is difficult to say. All that the jury's verdict meant was that either the defendant never used the slanderous words at all, or, if he did so, it was only by way of taproom gossip to which few intelligent men would pay any attention, and in respect of which a special provision of the Defamation Act discouraged the bringing of actions. But the net result of the affair was damage and injury both to Holman and to Griffith—a result which was grotesquely unjust to both of them.

Next a libel was published in the *Mirror* newspaper—the anti-German weekly which did not survive the war. The article was headed: "The Government and the Bookmakers—is the Government Bought?" It stated that the people of New South Wales wanted to have the totalizator betting machine adopted, but that every one believed that bookmakers were sufficiently wealthy to prevent such adoption. The article said:

That is a direct and specific accusation of corruption against the Government. At the present moment even more definite statements are being widely circulated, in which the amount said to be paid to the Government by the bookmakers for keeping out the tote is stated in round figures. A few days ago a racing official was travelling in a railway carriage with a number of bookmakers when the conversation turned on the subject. One well known bookmaker made the following definite statement: "Well, I'm hanged if I'm going to pay more money to the Government. Let them get the totalisator and see how they like it." In the conversation which followed, the racing official in question learned that the members of two well known bookmakers' clubs subscribed so much every week towards a fund which was ultimately paid over to a representative of the Government. We do not say that this charge is true. We are willing to believe that there may be some other construction than that which would naturally be placed upon it. It is even possible that the bookmakers are themselves being hoodwinked and are paying money for one purpose which is being used for another. But, while we accept the possibility of such being the case, we feel that the time has arrived when some definite denial of this widely circulated charge should be forthcoming. It is of too serious a nature, and too generally accepted, to be lightly passed over.²

Holman and his fellow ministers immediately brought actions for libel. But the defendants apologized and paid costs—it being announced on their behalf by counsel that the article merely “gave currency to the rumours in existence” and made no accusation against any minister. The Chief Justice rightly observed that the defendants’ interpretation was “an extraordinary construction for the defendants to place upon the publication”. Again, the plaintiffs were badly advised in not pressing the cases to finality. Apologies were becoming too cheap. Still another action was commenced by Holman in 1916, it being alleged that the defendant had slandered him by asserting that, upon application to the Government to renew a certain lease, Holman had refused to discuss the matter until a price running into thousands had first been paid to him. At the trial, the defendant again made an abject withdrawal, and also paid costs.

The repetition of these rumours and charges was undoubtedly injuring the Government’s prestige. The time had come when, in the case of written defamation at least, the only proper course for Holman to have taken was to exercise his legal rights to the uttermost. Agreed apologies, delayed until the very moment of hearing, months after the injury had been sustained, sometimes bore the appearance of a genuine compromise. In all the matters which have been specified, not one fact was proved against the honour of Holman, Griffith or any other minister. But their names had been dragged so often into both newspaper and private discussions of alleged scandals that almost irreparable harm was done to the Government as a body and to the individual ministers as well.

Next, at the by-election caused by the resignation of Labour member McDonald, who openly stood as an Independent protesting against the dictation of ministers by the Labour Conference of 1916, Wade and Beeby were easily able to withdraw all official anti-Labour candidates; and the result was McDonald’s re-election—a further blow to ministers.

In these most disheartening circumstances Holman met the House in July 1916. Labour’s legislative record did not improve. Certainly the Upper House at last accepted the Railways Appeals Act granting to employees who were visited with departmental punishment the right of appeal to an independent board presided over by a magistrate. Further, the Rural Tenants Improvement Act gave rural tenants a right to the value of improvements effected, subject to certain conditions and restrictions. Again, the Act dealing with the control of the Government’s industrial undertakings was amended to enable profits earned to be used in discharge of the capital cost of the particular undertaking. After so many other failures, the apparent success of these great undertakings was Holman’s main consolation: for the State brick works, the State metal quarries, the State bakery and the State fishing

enterprise had all succeeded in considerably reducing prices either to the Government itself or to the consumers or to both.

On the other hand, the Upper House again rejected the Bill imposing a super-tax on unlocked lands situated in close proximity to railway lines and suitable for agricultural settlement. And the Council marked time over other industrial legislation such as the Workers' Compensation Bill; and it eagerly awaited the general elections. These would, it was believed, spell Labour's downfall. Threatened with Holman's proposal for a referendum on the question of Council abolition, the Council knew that no effective referendum could be submitted to the people without its own consent. It showed not the slightest inclination to give any such consent. Then, suddenly, the whole political situation, State as well as Federal, was completely altered by the decision of the Hughes Government to submit to the people by way of referendum the question of military conscription for service overseas.

CHAPTER XLVI

THE ISSUE OF CONSCRIPTION

IMMEDIATELY after his arrival in England, Hughes was "boomed" by a section of the conservative Press which was as much desirous of using a new instrument against Asquith as of giving special praise to the new Prime Minister of Australia. But Hughes's speeches attracted considerable attention in themselves—his direct manner, his dogmatism and even his intolerance adding to their success. Day by day, they were cabled at length for publication in the Australian Press. Although they did not foreshadow the adoption by Australia of military conscription, neither did they clearly intimate that conscription would not be adopted. As a consequence the feeling in Australia became one of uncertainty. It was expected that, after the period fixed for the "Call to Arms" campaign, Hughes would have returned to Australia and made an official pronouncement on the issue. At a later date, Holman complained of the "exasperations of the period of waiting for Hughes's return". He said:

We had to sit silent, not knowing what his (Hughes's) views were, with the opponents of conscription working feverishly to complete plans by which we should all be thrown out of the Movement, and the Movement itself definitely pledged in opposition. Instead of finishing his work and hurrying back to help to win the war by sending men, he remained in London making speeches, which, while they were believed throughout Australia to be contributing to the development of English politics, and which really did win the approval of the Northcliffe Press, were occupying time abroad, during which the enemy's plans were ripening at home. Had Hughes spoken the words "Conscription for Australia" whilst in England, we could have rallied our supporters inside the Labour movement, and a struggle made with all our power might have had a very different ending. His protracted silence left us gagged. At the moment every one was prepared to believe that there were profound strategic reasons for this reserve; we discovered later that there were no reasons at all for it, other than the leader's inability, which he shared with every one else, to see any method of reconciling the claims of party unity with those of the Empire.¹

This statement of Holman's hopes and fears affords additional evidence of the fact that his earlier inclination in favour of conscription had never been changed. Holman afterwards explained that to "conscription" as such, he was opposed, but he defined "conscription" as compulsory military service in time of peace. His fundamental ground for supporting conscription in 1916 was succinctly stated by him: "If the war cannot be won without com-

pulsory service, I am entirely in favour of compulsory service during the war." In Holman's view, therefore, the question involved was essentially one of fact—was the necessity proved? This, in his view, was "entirely a matter for those who possessed confidential information in which we do not share", so that, primarily at all events, the question of necessity was a "matter to be settled by the Federal Government".

Even from a Labour or socialist angle, there could be no fundamental objection to Holman's statement of the question involved. Australian law already provided that, for home defence, compulsion should be applied. In a case of "necessity", why should not the same principle be applicable to service abroad? "Necessity" as interpreted by Hughes and Holman meant that, if sufficient volunteers were not forthcoming to reinforce the Australian forces abroad, then compulsion should be employed.

We have seen that, before Hughes left for England, he had launched his special appeal, the "Call to Arms", asking for 50,000 additional volunteers apart from reinforcements. As August 1916 approached, Holman eagerly awaited Hughes's return. But the very first matter which his own beliefs should have obliged him to investigate was whether the "Call to Arms" had been successful.

Holman could hardly pretend to be in doubt as to the general attitude of the rank and file of the Labour movement. In May 1916, at a special trade union congress in Melbourne, a resolution of absolute opposition to conscription had been carried on a card vote of 258,018 to a negligible 753. No substantial section of the political or industrial sections of Labour had expressed support of conscription. In April the Victorian Labour Conference had pledged itself to opposition, and, except perhaps in Western Australia, Labour opinion rather expected that, immediately upon his return, Hughes would scotch the proposal. On 31 July the *Worker*, then edited by the brilliant H. E. Boote, actually greeted Hughes's return to Australia with the slogan "Welcome home to the cause of Anti-Conscription".

On the other hand, many Liberal or anti-Labour groups had declared themselves in favour of conscription. Always more sympathetic with imperialist adventures than the Labour Party, the Liberals bitterly animadverted on the speech of Fihelly, minister in the Ryan Labour Government of Queensland, who had declared to a Home Rule gathering that England was the land "of cant, humbug and hypocrisy". And, after the rebellion in Dublin at Easter 1916, Irish nationalist and sectarian feelings were often aroused in Australia; and aroused by both sides.

The question of conscription was being brought very closely home to Holman himself. The resolution of the New South Wales Conference of 1916 had been couched in unambiguous terms. The conference "solemnly pledged itself to oppose conscription by all lawful means", and directed al

affiliated trade unions and political leagues to oppose all Labour members who supported conscription. When unions or leagues failed to take such action, the central executive was "hereby instructed to refuse, under any circumstances, to endorse conscriptionist candidates". Holman's subsequent comment on this anti-conscription decision was:

On an evening when I was absent from the Conference (I was, as a matter of fact, attending an official dinner at Government House) a resolution was carried dealing with conscription. Not only was the movement opposed to conscription, but any person in the movement who supported conscription was to be forthwith expelled! The evil spirit of 1911, temporarily driven forth, was now returning with seven others worse than himself and finding the house swept and garnished. I have always thought that, had I been there that night, something might have been done to modify the extreme violence of this resolution. The industrial section was, so far as its majority went, largely disaffected to the British cause. The Dublin revolution had infected Irish-Australian sentiment into practically avowed hostility, and this element dominated the section. Nevertheless I believe that if someone had been there to adequately emphasise the lunacy of trying to bind men, amidst the gigantic convulsions of the period, to a defiance of their own clear view of what is essential to the safety of the country, even that Conference would have halted in its march. But not a word was spoken.²

Holman's reference to the "evil spirit of 1911" was to the fact that, at the instigation of Hughes, the conference of 1911 had insisted upon crushing all opposition to the Fisher-Hughes referendum proposals. Holman's statement that the industrial section was "disaffected to the British cause" was quite incorrect. Arthur Rae, the proposer of the crucial resolution, had sons at the front. The truth was that the section truly represented the unions, and the unions were clamouring for a definite stand against the principle of compulsion. Nor was it accurate to say "But not a word was spoken". Fitzgerald, and at least one other speaker, put the case against Rae's resolution. Holman's presence would not have altered the decision, and his failure to attempt any reopening of the question by the conference showed that he realized that such an attempt would be futile and might attract to himself a further vote of direct censure; and that he was determined to avoid.

Hughes's return from England greatly accentuated the growing political excitement. Anxious to avoid a party split, Hughes consulted the Labour executives in nearly every State of the Commonwealth. He seems to have relied to some extent upon the inaccurate assertion of the *Melbourne Age* (April 1916) to the effect that the rank and file of the Labour movement was favourable to conscription and upon the decision of the one-time radical Australian Natives' Association to support conscription. But he soon discovered that the officials and executives of the Labour Party were decidedly

hostile. Upon arrival at Sydney he was entertained at a great public dinner, where Holman's vague language caused much comment. "We can only speculate," he said, "what will be the march of events during the next two or three months. We are in a state of necessity, and our actions shall be judged by the necessities which the moment brings forth. The Prime Minister was not to be harassed, to be attacked, to be hounded by the disloyal utterances of party critics." Hughes was even vaguer: "I shall do my duty"; upon which a conscriptionist interjected: "Still mere words."

Hughes had several long consultations with Holman, who thus became partly responsible for the former's decision to introduce conscription subject to approval by popular referendum.

It was on 30 August 1916 that Hughes officially announced his fateful proposal:

In view of certain urgent and grave communications from the War Council of Great Britain . . . the Government has arrived at the conclusion that the voluntary system of recruiting cannot be relied upon to supply that steady stream of reinforcements necessary to maintain the Australian Expeditionary Forces at their full strength.

He said that, to the extent that voluntary recruiting fell short of the quota he specified, compulsion would be applied by the Government subject to a popular vote approving of the principle of compulsion. Hughes stated that there had been no less than 6743 A.I.F. casualties in a period of eleven days. In his view, the recruiting figures had not been satisfactory, the total being 6375 for June, 6170 for July and 4144 for August (up to 23 August 1916). Subsequently the publication of the complete figures revealed the fact that the three months selected by Hughes gave a grossly unfair picture of the recruiting of 1915 and 1916 regarded as a whole. Further, immediately prior to Hughes's announcement, there had been heavy fighting, and the casualties of the A.I.F. were abnormally large.

Hughes's announcement declared the quota which, he said, was necessary. It was a quota of 32,500 troops for September 1916, and of 16,500 for each succeeding month. He estimated that the war should end by June 1917; however, if it did not end then, his monthly quota meant that no less than 214,000 men would be wanted during the twelve months commencing with September 1916, and no less than 181,000 men by 30 June 1917. Before leaving England, Hughes himself had boasted that Australia's response under the voluntary system had been "magnificent". Upon their own showing, Hughes and Holman were bound to establish that recruiting had not been satisfactory. But what was the precise position? At the Labour Conference debate in May, Fitzgerald candidly admitted that he had no accurate knowledge. On 31 August Holman said: "My own opinion is that we have lagged con-

siderably behind the Empire as a whole." It is plain to demonstration that Holman's worries and anxieties in New South Wales politics had prevented him from making the slightest investigation of the vital figures..

In 1914, from August, when the war was declared, to December, the average number of volunteers per month was 10,512. In the next year, 1915, for the first ten months, the figures were:

January	10,225
February	8,370
March	8,913
April	6,250
May	10,526
June	12,505
July	36,575
August	25,714
September	16,571
October	9,914
Total *	145,563

The increase from May 1915 onwards followed upon the landing of the A.I.F. on the Gallipoli Peninsula. The 1915 total was amazingly high, averaging no less than 14,500 per month for the first ten months.

In November 1915 Hughes became Prime Minister, and after his special appeal or "Call to Arms" was launched the total (for 8½ months) was 102,546.

I stop at 23 August because it was on the basis of the figures up to that day that Hughes's vital decision and quota purported to be based. Again, the result of the "Call to Arms" appeal had been very excellent, the average monthly figure reaching over 11,700.

Holman's ignorance of these figures and of their crucial importance was painfully revealed in 1918 during the Governor-General's National Conference on the subject of recruiting. There, the Labour representatives contended that, for the two years from August 1914 to 23 August 1916, when Hughes's conscription decision was announced, the war had been waged by a united people upon the basis of the voluntary system, and that the system had been magnificently successful until the introduction of the conscription issue split the people in twain.

Holman's lack of knowledge of the vital facts is conclusively established. While the general paucity of official information may explain Holman's ignorance, it does not excuse his failure to inquire. Holman should have examined the exact figures, and insisted on seeing the cables from England relied on by Hughes. A vital question was whether so large a monthly quota as asked for was not obviously excessive. He relied upon Hughes as judge of

the necessity for compulsion and on the military authorities for estimates of the reinforcements needed.

It is quite certain that if Holman had resolutely opposed conscription it would have been overwhelmingly rejected, and almost certain that Hughes would never have decided on the referendum scheme at all.

It should have been obvious that the anti-conscriptionist arguments were certain to assume one or more of the following three forms: (i) Australia cannot make the contribution without economic and social disaster; (ii) the objects of the war are not of such a character that Australia *should* make such a contribution; (iii) human life is obviously more sacred than wealth, and so far from wealth being "conscripted", or capital being levied upon, the Australian methods of war finance have left wealth and capital comparatively unscathed.

It was equally obvious that, so soon as the second line of argument became prominent, absence of active enthusiasm for additional war effort might readily lead to active opposition. For such reasons, the responsibility of decision lay heavily on Holman; and special caution was required. Unfortunately, he displayed little or no caution but headed almost recklessly towards political disaster.

While Holman failed to place himself in possession of the material facts before making his fateful decision to support a Yes vote, the Liberals treated Hughes's announcement of a referendum with something approaching a howl of rage. The *Daily Telegraph* attacked Hughes for "shirking the issue, by shuffling it on to the electors". But when the Political Labour League executive expelled Hughes for defying the conference edict, and the latter replied by declaring: "I am going straight on", the *Daily Telegraph* swung behind Hughes. In the end the Yes campaign was supported by almost every conservative or non-Labour politician and publication from Fremantle to the Gulf of Carpentaria.

In New South Wales there was little or no non-partisan analysis either of the recruiting figures or of the tremendous draft on Australia's manpower which Hughes was asking the people to honour. At his great opening speech in Sydney on 18 September, Hughes mentioned 100,000 recruits saying: "The troops necessary to maintain our reinforcements to the end of July . . . number about 100,000." Yet his own declared monthly quota required nearly 200,000 recruits by the end of June 1917. For the most part Hughes was accused of juggling with the numbers; perhaps the most cogent analysis of his scheme from the Labour angle was that of R. W. Cruickshank who submitted that "quite clearly . . . the scheme will do more than make good the wastage" and would probably "destroy our industries, create economic chaos and denude the country of necessary wealth producers".⁸

The slightest comparison between the recruiting figures of 1915 and 1916

was sufficient to show that the quota demanded by Hughes was absurdly, even outrageously, excessive. Holman was unaware of the figures, but not being responsible for defence matters, pleaded the authority of the Defence Department. The next question is, how did Hughes himself come to put forward and support such preposterous figures?

The official Labour theory was clear enough. According to it:

Mr Hughes was away during those days when recruits were flowing in in such number. When he returned and we realised what was coming, notwithstanding those splendid responses to the voluntary system, our country was flung into the throes of that disastrous conscription campaign. Perhaps had Mr Hughes been here while those splendid figures were mounting up, we might not have had that campaign. The press, intent on conscription the whole time, has—I will not say deliberately—suppressed—kept out of the light—facts favourable to voluntarism, and has given all prominence to everything telling against voluntarism. It was the press that has done so much to cause the disastrous division amongst the people which appeared in 1916.⁴

In my view, it is now established that Hughes *was* misled. On 24 August 1916, several days before the official announcement of his conscription proposal, the British Government had dispatched a vital cable to the Commonwealth. The cable asserted that the Army Council wished the Australian Government to be informed that owing to "heavy casualties recently suffered by Australian divisions in France", the third Australian Division itself would have to be drawn on for reinforcements. It was recommended that a special draft of 20,000 infantry plus "normal monthly reinforcements" should be sent from Australia so as to enable the third division to be restored to strength. It was further recommended that, for three months following the dispatch of the additional draft, the monthly reinforcements should be 16,500 per month for five divisions. The cable added

Council are aware provision of this additional personnel may greatly inconvenience your Government in training and other arrangements, but it is the only means of retaining third division for service in the field.

Even now it is not easy to interpret this extraordinary and obscurely worded document. Its actual request seems to have been limited to a special draft of 20,000 infantry plus an increase of reinforcements to 16,500 to operate for a period of three months only. There was no suggestion whatever of a permanent reinforcement quota of 16,500 although that was the quota which Hughes subsequently demanded. Apart from this very serious discrepancy, the Army Council's action in fixing 16,500 per month was subsequently condemned by the highest expert opinion, the Australian Director-General of Recruiting, Donald Mackinnon, describing it as being "a hindrance and discouragement to recruiting".

The conclusion is practically irresistible that either the generals commanding the A.I.F. or the English Army Council or both were responsible for misleading Hughes, and that they deliberately or negligently fixed the monthly quota at so high a figure that it was quite impossible of attainment under the voluntary system. And just as Hughes must have been, to some extent at least, deceived by the cable from the British authorities, it seems equally probable that he was not made fully aware of the outstanding success of the recruiting campaign conducted in Australia during his absence abroad. With Hughes misled and Holman not informed at all, serious political overturn was certain. Was it believed by the persons concerned that their support of conscription would necessarily destroy the Labour Party?

That Hughes accepted in good faith the British Army Council's recommendation of 24 August is shown by his reply of 31 August: "Will send special draft of 20,000 infantry immediately as transport comes to hand, and thereafter 16,500 per month." The public could know nothing of these communications. Hughes had to trust his military advisers. It is certain that he was grievously misled.

On 18 September, the day upon which the Yes campaign was opened by Hughes in Sydney, a letter sent by Holman on 30 August to the New South Wales Labour executive was released for publication. It was frankly expressed and closely reasoned. "I have been all my life a pronounced and declared anti-militarist," said Holman, who rightly emphasized his great anti-war efforts during the South African War. His only plea was necessity, and of the necessity he said the Federal Government was the best judge. He also contended that the State Labour executive had no legal right to discipline or expel him because the question of defence was exclusively a matter for the Federal Labour platform. This argument Holman subsequently developed before the voters; but it lost its technical force on 4 December 1916, when a special Interstate Labour Conference ratified all the anti-conscription decisions of the various States. Did it ever have any moral force? The answer must be No, because the general consensus of Labour opinion showed clearly and unmistakably that an interstate conference called in August 1916 would have ratified the anti-conscription decision expressed by the New South Wales Conference of May 1916.

The rank and file of the Labour movement in New South Wales still retained a great affection for Holman and hoped that somehow or other his finesse would enable him to support a Yes vote and still remain Labour leader. As late as 30 September, although the referendum campaign was being conducted with great bitterness, he was actually a guest at the annual Eight Hour Day dinner of the trade unions. He was given an excellent reception, and even at this time many trade union leaders seemed prepared to give him a chance of repentance.

It would appear that at this moment Holman was not committed to any scheme of coalition with the political opponents of the Labour movement, and also that in their turn the industrial leaders of Labour were anxious and perplexed, and by no means intent upon losing his leadership: It is to be noted that, in Holman's case (unlike that of Hughes), the resolution of the executive had merely withdrawn his endorsement, i.e. prevented him from standing for Parliament as a Labour candidate. His membership had not been terminated by formal expulsion.

But, as the campaign grew even hotter, Holman was occasionally betrayed into unusual irritability and on several occasions he gave displays of temper on the public platform. Thus, at Marrickville, on 15 October, he was continually interrupted, and said:

What kind of men have we got here in Marrickville? Are these miserable specimens, to whose minds nothing that is worth while can make any appeal, the hope of Australia? You curs! It's a shame to think that the first men who have volunteered will have to associate with you . . . you are cowards, do you hear, cowards!

Holman visited both Melbourne and Brisbane, but at every Labour centre he encountered similar hostility and interruption. Bitterness increased when Hughes anticipated a Yes vote by ordering to the colours, for home service only, thousands of single men who came to be dubbed "Hughesiliers". Special Exemption Courts, constituted by local magistrates, were authorized to decide whether reasonable grounds existed for refusing to serve. But many of the magistrates played up to the Press gallery by indulging in harangues and offensive observations upon the applicants for exemption. This foretaste of conscriptionist technique was little calculated to gain further adherents to the Government's proposal.

During the progress of the campaign and under somewhat melodramatic circumstances, twelve members of the I.W.W., which had been the first body to organize meetings against conscription, were arrested and charged with high treason and with conspiracy to burn down certain buildings in Sydney. The charges of treason were frivolous and were soon dropped; but the remaining charges were of very serious import. The preliminary proceedings were reported throughout the Press of Australia and, before their trial, Yes speakers, including the Prime Minister, made observations pointing clearly to the guilt of the accused. Undoubtedly this case greatly helped the Yes vote, for prominent No advocates were alleged to be sympathetic with criminals. Yet even at this moment some few Labour supporters argued that the men had been "framed up".

On the other hand, the intervention of Dr Mannix, Coadjutor Catholic Archbishop of Melbourne, solidified behind the No campaign the vote of

most Australians of Irish descent or sympathies. In his view, Australia had already done enough, and more than enough.

Chosen as principal of St John's College, Sydney University, Dr O'Reilly now strongly supported Archbishop Mannix in advocating a No vote. To counteract the influence of these great orators, the Press hastily collected some opinions in favour of Yes by several Catholic judges and barristers; but these were of negligible effect except in quarters where Yes advocacy was not necessary. Mannix's speeches were most direct and provocative. His Irish-Catholic critics were "Shoneen" Irish. The war was a trade war. Australia must watch its own interests, and not England's. According to Holman:

Dr Mannix, who had not long arrived from Ireland, was the victim of a strange incapacity to "keep his block" when in front of an applauding crowd. The striking infirmity of the oratorical mind, which re-directs his own hypnotic power which he himself creates, was seen in its fullest development in this, in many ways, gifted man. When on the line which divides boldness from blundering he would always utter the additional phrase which carried him over it. He would work an audience of sympathisers up to an almost frenzied pitch of excitement, and they in turn worked him up to a greater one, in which he gave utterance to sentiments which, it must be presumed, he had no intention of uttering when he mounted the platform.⁵

Holman attributed much of Mannix's success to Hughes's opposition and considered that the fierceness of the campaign was one of the consequences of the Dublin rebellion and its aftermath. But he over-simplified a very complex problem—one which, perhaps, is insoluble. One or two able authorities, including Maurice Blackburn, M.P., have always been of opinion that it was not the anti-conscriptionist but the conscriptionist vote which was surprisingly heavy. If this is correct, it would seem to follow that Hughes's fierce contest with Archbishop Mannix and the sectarian feelings thereby aroused helped to attract to the Government's side tens of thousands of non-Catholic voters. In any case Hughes's tactics cannot be condemned as futile merely because of the result of his appeal to the people.

A closely related question is the subsequent change for the worse, especially in Federal politics, of the fortunes of the political Labour movement. Both in 1913 and 1922 the New South Wales elections suggested that any widespread suspicion that political pressure was being exerted by the Catholic Church on the Labour Party was likely to produce a disastrous reaction against that party. Before 1916 Holman, while always endeavouring to eschew the tactics of sectarianism, had managed to maintain within the parliamentary Labour Party itself a balance between Protestant and Catholic members based upon the proportionate strength of those two groups in the community at large. In each case, of course, the great majority lay with the

non-Catholic group. But this rationalist, socialist, anti-clerical majority became far less powerful after the conscription split of 1916.

Also opposed to Holman's explanation is the theory that the most important by-product of the conscription split in the Labour Party was an entente between the party and the Catholic Church and that this not only weakened Labour in ordinary elections, but nearly resulted in the success of the conscription proposals themselves. This interpretation of the facts of history is also open to challenge because of over-simplification. But it is noticeable that, after 1916, Holman himself made many public references to an alleged alliance between official Labour on the one hand and the Catholic Church leaders and Irish Home Rulers on the other. Such references were likely to deprive him of the support of Irish Catholic groups. Presumably, therefore, he expected to attract the support of the far more numerous non-Catholic groups.

CHAPTER XLVII

CONSCRIPTION REJECTED

FROM the first it appeared likely that the New South Wales vote would prove the deciding factor. There, the main burden of the Yes campaign was carried by Holman. He induced all his ministers, except one, John Estell, to take the Yes platform. In the face of the Labour Conference decision and the Political Labour League executive's obvious determination to enforce it, this result seemed almost miraculous. But of course, the ministers all expected to be on the victorious side. For Holman expressed it:

The appeal for the Yes vote should have won, one would imagine, hands down. No less was expected. One half of the Labour party had come over, and although each member carried with him only a fraction of his total following, yet this fraction, plus the entire Liberal party, which it was expected would vote solidly for the affirmative, should have given that side a clear majority.¹

In New South Wales, the only newspapers advocating No were the *Sydney Worker* and the Bathurst *National Advocate*. The censorship was not lifted for the occasion; there is no doubt that the columns of the daily papers which supported a Yes vote were greatly disfigured by cartoons and arguments which, by deliberately understating the success of the voluntary recruiting, were undoubtedly "prejudicial to recruiting"—the blanket phrase of the War Precautions Regulations which was, in all cases where the No press was concerned, given the very widest interpretation. For instance, the instructions to censors forbade the publication of any matter which was offensive to Great Britain or any of her Allies. As one of the Allies was Japan, the argument that if conscription was introduced there would be a dangerous influx of Asiatic labourers, was not permitted. One Yes advertisement printed in both German and English, paraded as a declaration from the Kaiser that he had decided to "award the Iron Cross to all my ever faithful supporters who will vote No".

This sufficiently illustrates the width of the charter permitted to the Government supporters. The No advocates had to narrate experiences of a very different character. According to the reliable evidence of A. W. (later Judge) Foster:

Few public men on the anti-conscription side escaped prosecution or conviction, though they, as it turned out, represented the majority of citizens and soldiers. I myself was prosecuted and subjected to a long trial for a speech

I made in a city hall, in which I had the audacity to criticise the Prime Minister, the Rt Hon. W. M. Hughes. Fortunately I escaped conviction. Rarely did any speaker of prominence deliver an address without the service of police officers as shorthand writers. Military squads were continuously posted in printing offices where anti-conscription literature was being printed. Matter for publication had first to be submitted to military officers for their approval, whose prohibition was final. No such requirement was placed upon the conscriptionists, who were free to publish what they would, whether it were true or not.²

Towards the end of the campaign, Hughes decided upon a curious manoeuvre. He caused to be drafted a special War Precautions regulation by which any intending voter at the referendum could be interrogated at the polling booth by the presiding officer as to whether he was subject to, and had obeyed, the proclamation calling up single men for home defence. It was proposed that, in the event of an answer being deemed "unsatisfactory", the ballot paper should be placed in a special envelope marked "Proclamation" and be "dealt with" later. Accordingly the draft regulation was prepared and on 27 October, the very eve of polling day, was submitted for confirmation to the Executive Council in Melbourne. The meeting was attended by three ministers, Gardiner, Higgs and Russell, who, by a majority, refused to confirm the regulation. Thereupon Hughes who was at Sydney, managed to collect a second Executive Council which Jensen and Webster attended. There the regulation was confirmed. In the crisis, the ordinary methods of responsible Government seemed to have been entirely forgotten. However, Gardiner and Higgs both resigned from the ministry as a protest, and as a result of the unfavourable publicity caused by the attempt to interfere with the right of voting, the electoral officers were instructed not to enforce the regulation. It was clearly an illegal instruction, because the Commonwealth Parliament had itself specified the only questions which could be lawfully asked before the voter received his ballot paper.

The long retention of office by the Federal Labour ministers who were opposed to conscription, was even more surprising than their resignation. They seemed to believe that they could checkmate Hughes's vigorous enthusiasm. But it is fairly clear that, had conscription been carried, Hughes might have been able to carry on as head of a National Labour Government, and so to present to any subsequently convened Labour conference the overwhelming argument of the fact already accomplished.

Although greatly hindered by lack of publicity and of funds, a number of Labour leaders remained loyal to the conference and executive decisions against conscription. Prominent among them were John Storey, James Dooley and J. T. Lang in New South Wales; T. J. Ryan, Theodore, McCormack and Forgan-Smith in Queensland; Scullin, Tudor, Anstey, Frank Bren-

nan, Maurice Blackburn and A. W. Foster in Victoria; Lyons and A. G. Ogilvie in Tasmania; Collier, Willcock and John Curtin in Western Australia; and Hill and Gunn in South Australia. At later stages, no fewer than twelve of these men became State Premiers, and three of them Prime Ministers of the Commonwealth. In New South Wales, the practical leadership of the No propaganda was in the hands of Henry Boote of the *Worker*, whose very powerful writings raised the circulation of that paper to almost incredible heights. Boote's leading articles and Claude Marquet's cartoons made a profound impression, and balanced the strong Yes advocacy of the Sydney *Bulletin*, in which Low's drawings were conspicuous. Amidst the tremendous excitement of the final stages, the No leaflets also included many appeals to sentiment, and the *Worker's* famous "Blood Vote" verse (illustrated dramatically, if morbidly) was a direct appeal to the women's vote:

I hear his widow cry in the night,
I hear his children weep.
And always within my sight O God,
The dead man's blood doth leap!

Hughes had calculated that the Yes vote in Australia would be enormously helped by the publication before 28 October, of a favourable, perhaps a unanimous, vote of the men at the front. It is now known that on 14 October Hughes cabled to Birdwood at A.I.F. headquarters in France a "secret and personal" appeal to use his very great influence to the very utmost to ensure an overwhelming (Yes) majority of the Australian soldiers. Birdwood complied; but, as he wrote to High Commissioner Andrew Fisher, as a soldier he did so with the greatest reluctance.

No separate figures of the A.I.F. vote were published until January 1917, when the *Freeman's Journal* of Dublin asserted that the vote was 106,000 to 40,000 in favour of No. In March the figures were given as 72,399 Yes to 58,894 No.

The vote of 28 October resulted in a No majority of 1,160,033 to 1,087,557, i.e. a difference of about 73,000 votes. New South Wales was the key State and it rejected the proposals by a majority of no less than 118,000. Victoria had a Yes majority of 15,000, and Western Australia and Tasmania also voted Yes. In a *Bulletin* cartoon called "In the Mud", Low depicted six toddlers each representing a State and all rolling in the mud while five of them were explaining: "Boo! Hoo! New South Wales made us sit in it."

If Hughes and Holman were insufficiently critical of the information upon which they had decided to launch the conscription campaign, they now seemed likely to pay a heavy price for their error of judgment. Hughes was placed in an invidious position. He was expelled by the New South Wales executive, was dependent in the House of Representatives upon the support

of Cook, Irvine and other Liberals, was in a hopeless minority in the Senate, and was only twelve months distant from a general election. And Holman was in even worse case. New South Wales had flatly rejected his advice to vote Yes, nearly every country electorate, including Cootamundra itself, had voted No, the majority of the Labour caucus was against him, the Assembly was only adjourned and not prorogued, the life of Parliament was shortly to expire, and he was prevented from standing for election as a Labour candidate. For him the political outlook seemed hopeless.

CHAPTER XLVIII

HOLMAN JOINS WADE

ONCE the conscription proposal was defeated, it was theoretically possible for the Labour movement to regard the question as settled by the vote and to restore normal relations with Hughes and Holman. Indeed, as witness the case of Labour leaders in England, there was nothing in the issue which necessarily involved a final and complete rupture. At any moment the war might end. The very nature of the referendum result excluded any great change of war policy on Australia's part. From the point of view of organized Labour, the sounder policy might have been to conciliate their two great leaders, rash and ill-advised as they certainly were regarded. In the case of many of the new members of Labour executives, motives were mixed. But it cannot be doubted that the desire to contest safe Labour seats was to some extent responsible for the resurrection of Holman's old formula of "undying hostility" to those who had opposed the machine, and supported conscription.

On the other hand, Holman's motives were equally mixed. His subsequent rationalization was:

When the conscription numbers were counted and the disastrous failure of the campaigning effort was announced, and particularly when the really extraordinary state of the figures in New South Wales was discovered, it was unanimously recognised that an election at that moment, with the reverberations of the conscription fight echoing in every corner, would probably bring in a Government pledged to outright disaffection. Official Labour had now definitely declared itself for aloofness. The war was nothing to it or the war's result. All they wanted was to be free of the war, at the earliest date, of the cost it involved in men and training, and the excuse which it afforded for delay in Labour reform. If this freedom could be achieved by beating the Germans, well and good; if it could be achieved by giving in to them, well and good.¹

During the referendum campaign, Holman had never made so fundamental an attack upon the No supporters; and it is not credible that he really regarded Labour as "pledged to outright disaffection". Anti-conscription leaders like John Storey and Arthur Rae had two or three sons fighting in the trenches. It was Holman's misfortune that, at the crucial time, neither he nor his advisers seemed capable of recognizing the fact that opposition to conscription of Australians was perfectly consistent with loyalty and patriotism: no less intense because unaccompanied by bragging and flag-waving. Whatever his motives, Holman decided that it was desirable to

coalesce with the Liberals, his bitter opponents, "for the remainder of the war at least". But for some little time this scheme aroused no enthusiasm in the conservative circles which had long regarded Holman with special distrust. On 20 September for instance, the *Daily Telegraph* thundered against any coalition between Holman and Wade. But it changed its tune when it realized that the attraction of smashing the Labour Party was even greater than that of smashing the man Holman. A step towards coalition found support on 11 October, when the *Sydney Morning Herald* said that "a very strong case" could be made out "for the creation of a National party even in State politics". Holman said:

It is apparent that there was by then nothing revolutionary about this. During the two months of the referendum campaign, Liberals and loyalist Labourites had been thrown again into each other's arms. We were speaking everywhere on the same platform, using the same arguments, quoting one another's speeches, meeting everywhere the same appalling misrepresentations and agreeing without difficulty as to the nature of the evil influences we found at work.²

There was, however, something very "revolutionary" in Holman's finally severing his twenty-five years' association with the Labour movement. It is impossible to deny that his struggles with the Labour conferences of 1915 and 1916 had affected both his desires and his judgment. The inference is that powerful forces had been, and still were, driving him, against an inner conviction frequently expressed, towards a permanent separation from the Labour Party. Up to 28 October, Wade's one desire was to put Holman out of the premiership. But after that day, Wade also was in a desperate political position; for the New South Wales conscription vote, if repeated at the general election, while it was certain to put Holman out, was equally certain not to put Wade in. Therefore, each leader had an overwhelmingly powerful motive for putting off the evil day of the general election, whatever course political morality alone would have dictated.

Under the Commonwealth Constitution, the duration of the life of the Federal Parliament was limited to three years, and the latter was powerless to extend the duration of its own life. But the example of the Parliaments of Britain and of New Zealand was very infectious. Each had extended its own life. Each had the justification or excuse provided by the possession of plenary war powers; although the very basis of democratic government may be undermined whenever elected persons are tempted to confer upon themselves immunity from re-election.

The New South Wales legislature, like the British and New Zealand Parliaments and unlike that of the Commonwealth, was legally competent to prolong its own existence. Thus the means to do the deed were at hand.

Holman decided that; if he could, he would extend the life of the New South Wales legislature "until the conscription issue had settled down", and, for that purpose, "enter into a sacred union of all the best elements in politics". Political expediency, not merely the logic of this reasoning, prevailed with Holman. If the war crisis justified a coalition, were not the people entitled to express their judgment on war policy, and at once? If the crisis had to "settle down" and be forgotten, why should the forgotten difference, on which alone the country had divided, be elevated into a permanent political split? But political morality had little place in so desperate an affair. Holman broke the solemn undertakings which he had given to conference after conference and to one Labour gathering after another, that he would rather die than abandon the Labour movement; would willingly go out of politics altogether rather than desert the movement which gave him political life. Of course Holman had an arguable case. Patriotism must come first. The official conferences and executives had acted high-handedly and contrary to their rule. They had no right to make opposition to conscription a condition of membership of the Labour Party. It was very wrong that the platform should be altered during the life of an existing Parliament. Joseph Cook had used such arguments in the early nineties; so had Holman himself in 1911 when Hughes brushed them aside because a great policy issue had suddenly arisen. But, even if Holman's arguments had been unassailable from a logical point of view (and they were not) sentiment alone should have been powerful enough to prevent his coalescing with Wade.

Throughout these fateful weeks, McIntosh was continually at Holman's elbow. Unfortunately for Holman, none of the grave considerations which would normally have prevented the final break with Labour could even interest McIntosh. Why should they? All *he* had got from Labour conferences and executives was abuse and ridicule. Therefore, the full weight of his powerful and supremely optimistic personality was thrown in the direction of forming an anti-Labour bloc or coalition, the very first act of which should be to postpone the elections. It was probable that, in the course of the elaborate bargaining involved, McIntosh would at last come into his own, that Holman would redeem his personal pledge to appoint McIntosh to the Upper House. Holman himself has since admitted:

In the negotiations which followed, I was enormously helped by two gentlemen, who in this connection played a patriotic and determining part. These were my friend H. D. McIntosh, the proprietor of the *Sunday Times* and P. T. Taylor, a commercial man of commanding authority in the financial world of Sydney. McIntosh's paper had for some years been practically the only organ of the whole of the publications of the State which could be regarded as in any way favourable to our Government. Its columns had been unreservedly put at

our disposition, and to its own great injury, from the point of view of sheer finance, it had made itself more or less a Government gazette, at a time when the Government was fighting its way through much unpopularity.³

Obviously a coalition of the character contemplated by Holman and Wade could be accomplished only by much bargaining, some brokerage and the smothering of many scruples. For the time being, nothing was allowed to stand in the way of the scheme, and the whole patronage of the State was at the disposal of the negotiators. Arthur Griffith, who had supported conscription, would have none of it. "Obviously," he said on 29 October, "a man like myself who has battled all his life in the Labour movement could never join a coalition of this sort."⁴ Cann, whose Broken Hill seat could not possibly be retained by a coalitionist, was to be provided with a Commissionership of Railways, one of the highest posts in the State. At a later stage, Holman said that although Wade was not willing that Griffith should be included in any coalition, "an arrangement in Griffith's favour, closely parallel to the one concerning Mr Cann, was bargained for by me and accepted."⁵ Griffith strenuously denied any knowledge of it and he has the advantage of being corroborated by his contemporaneous protest. But something was done for almost everybody. Wade was to become Agent-General in London and to be made a judge of the Supreme Court when a vacancy arose. Care was taken that he should not have to "bargain" for this; but he got exactly what he wanted, and at the time he wanted it. In order to create vacancies among the Supreme Court and District Court judges, an Act was passed by the coalition, which required existing as well as future judges to retire at the age of seventy. As a result, Mr Justice Sly was forced off the bench early in 1920 when he was at the very height of his powers. Wade was appointed to the vacancy. It was thought very desirable that as many Labour conscriptionists as possible should be attracted to the new coalition; nearly all of them joined up, nearly all of them were provided with some job or other, either before or after their electoral defeat. Upon Wade's appointment as Agent-General, the next position in the coalition ministry went to George Fuller, most genial of politicians and least rigid of conservatives.

Before this strange union was "consummated" its proposed formation was challenged in the Assembly. The official Labour Party elected Durack of Bathurst as its leader, and on 7 November, he moved a vote of no confidence in the Holman Government. He said:

We undoubtedly know that the Premier has, for some considerable time been finessing to bring about a coalition with the other party. I have no doubt that I shall be accused for challenging a coalition before it existed and precipitating a crisis before it was necessary. But whether it exists or not, I challenge any member to deny that the Premier is at least in a position to negotiate for such a proposal. He had had an opportunity to deny such negotiations, and

he has not yet done so. The Labour party objects to any coalition, and holds the opinion that it would mean the total sinking of its principles. We know that the proposal to prolong the life of Parliament has been suggested. If it has not come about, then it is no fault of the Premier.

In his reply, Holman revealed the very embarrassing fact that at an earlier date, certain Labour members of the Assembly had suggested to him that the life of Parliament might well be prolonged throughout the period of the war. He frankly admitted that negotiations for a "National Party" were approaching finality. He denied that he had been unfaithful to Labour principles:

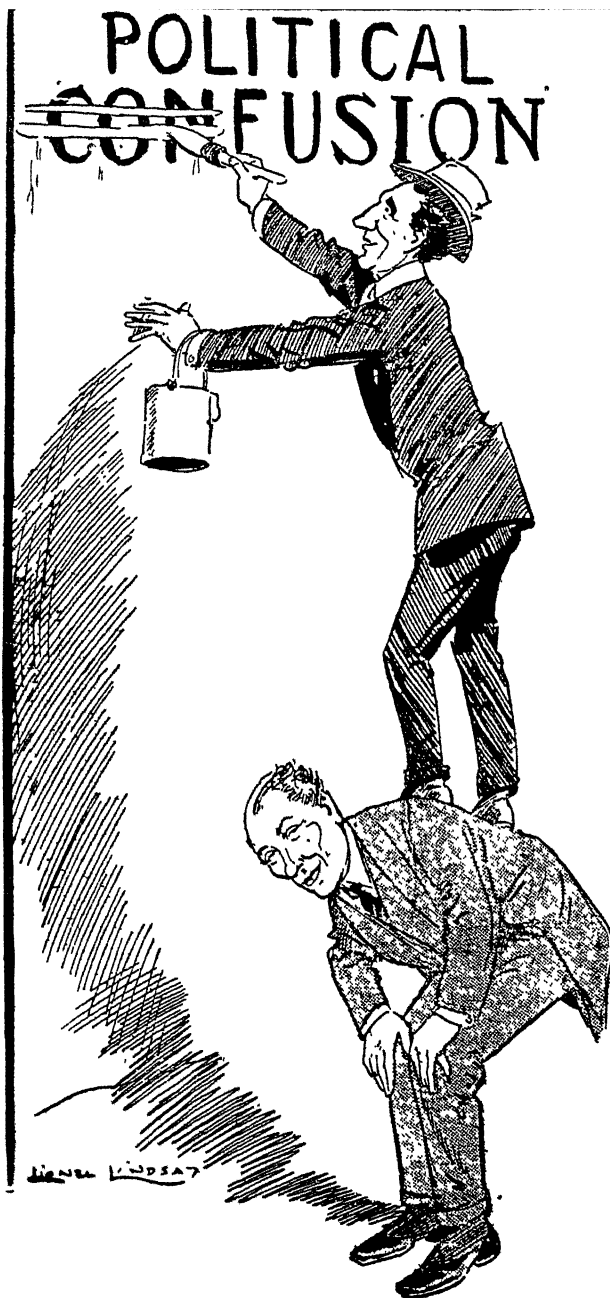
It was not until Labour members were faithless to themselves that we were compelled to look elsewhere, and to seek an alliance upon the fundamental conceptions of Australian democracy. They are freedom of speech, freedom of conscience, and freedom of action in Parliament. We are to be governed by the Parliament and not by a junta.

Then came a peroration uttered with almost all the old fervour:

Under the circumstances I am prepared to throw my lot in with the broader movement, the National movement. It is a movement which is free from the pettifogging machine-made tyranny which has done so much to disgrace the Labour movement. I am still animated by the ideals which moved me twenty years ago; ideals which not I, but those who worshipped the machine, have parted from to their loss and to the great harm and mischief of the life of Australia.

After Wade rose to speak, it soon became clear that an agreement between the two old political enemies had been almost reached. Wade argued that the question for the Liberal Party was whether, in the circumstances, it would be right to seize the weapon now proffered merely in order to destroy Holman. His conclusion was that, if the Liberals voted Holman out, it would be in defiance of "what I might call Parliamentary chivalry"—a euphemistic phrase, having regard to the absolute terror of the Liberal Party at the thought of its almost certain annihilation at an early general election. Wade said that an immediate election would be an absolute "mockery" of democracy, and the elections should be postponed until "the ferment" had died away. He moved an amendment which declared that, pending the outcome of a National war party, "based on broad democratic lines, the House should refrain from discussing any question of confidence or no confidence in the Government". The amendment was carried by a large majority, of which Holman's conscriptionist followers formed a necessary part.

When the coalition scheme approached finality, it almost broke down. The Governor, Sir Gerald Strickland, intimated to Holman that, as the Assembly



HOLMAN (OVER WADE) DOES SOME WHITEWASHING
The Sydney Evening News's interpretation of the Coalition of 1916.

Drawing by Lionel Lindsay.

had deliberately refrained from voting confidence in him, and as Holman's commission had been issued to him solely because he was leader of the official Labour Party, the majority of which was now openly hostile to him, he (the Governor) could "no longer transact business" with Holman. In substance, this was a demand for the return of Holman's commission. Holman temporized for a day or two. He was in a most critical situation, for, if the Governor dismissed him, and decided to dissolve the Assembly on Durack's advice, it would be too late to argue the question of constitutionality; the elections would be held and Labour would probably win. Holman cabled urgently to Downing Street which intervened in his favour "disapproving of Strickland's action" and making preliminary arrangements for his recall. The indignation of Holman's supporters at the action of Sir Gerald Strickland, who was also Count della Catena of Malta, was expressed in an amusing ballad which commenced:

The political split in the Labour arena
Was *delicatessen* to della Catena
Who, snug in an ambush, for some time had laid
Intent on the scalps of the Holman brigade.

The ballad, like the events themselves, ended in Strickland's entire discomfiture. But the Governor's attempt to defeat a scheme by which politicians were combining, not only in open defiance of their political pledges, but also for the very purpose of evading a popular vote on the justification for such a combination, was easily defensible by reference to precedents establishing a Governor's reserve power to protect the people against a casual parliamentary majority. Had the British Government's political sympathy lain with Durack and not with Holman, it is easy to imagine that the decision would have been very different.

After the stinging rebuke from England, Strickland was in no position to act upon the request of the petitions which poured into him from Labour and anti-conscription organizations. All these suggested that he withhold his assent to the Legislative Assembly Continuance Bill which Holman had introduced in order to extend the duration of the existing Assembly from three to four years. Strickland was directed by the Colonial Office to assent to the Bill and, albeit most unwillingly, he had to do so.

As it was, the Upper House was quite complacent. The functions of the Upper House as the supposed guardian of the rights of the people against a factitious Assembly majority were forgotten and it passed the second reading by a majority of 27 to 2.

In his National ministry, Holman was able to retain from his Labour ministry Hall, Ashford, Grahame and Fitzgerald. The Liberals included were George Fuller, James, Fitzpatrick, Ball and David Storey, and last but by

no means least (to use Holman's own words) "*mirabile dictu*, Beeby, who though not in Parliament was the nominee of the new Progressive Party, with whom Mr Wade had been in negotiation for some time before the opportunity of forming this coalition offered".

The change thus wrought in Holman's political career was vast, and his adjustment to his new relationship was difficult. It needed (and obtained) more than one explanation. Writing about the situation years afterwards in a work which he was then proposing to dedicate to Ramsay MacDonald, Holman advanced the following *apologia*:

Labour Government, outright and avowed, came nearer to trying out its parliamentary possibilities in New South Wales, in the years between 1910 and 1916, than it seems to have done previously in any other part of the world. For six years an important community was governed by Ministers who not only professed Labour principles, but were, as individuals, chosen by organised Labour forces. They came into office with the backing of a genuine majority among the two million people of the State, committed themselves to no instantaneous processes, and were quite level-headed enough to realise the futility of going beyond their mandates. Nevertheless, tried by any test of permanency, this experiment was a failure. The Labour movement in New South Wales reached its highest point in strength and popularity exactly half-way through this six-year period, commenced then to decline, and has never again secured a majority of votes at the polls.⁶

But the facts which this work has already unfolded show how impossible it is to accept so bald a summary. Indeed, the facts of the case are not wholly or fairly stated. For three of the six years Labour had the barest of majorities and had to bear the remorseless veto by the Legislative Council of all radical legislation. By its able administration, Labour created a most favourable impression, but even so the chances of a return to office seemed very small until, when Holman was made leader, new life and vigour were added. In 1913 Labour was returned to power with a clear mandate to discipline the Upper House. Yet, in Labour's second term of office, both before and after the war, Holman failed to give any substantial effect to the promised reforms. It was essential that he should appoint a large number of Labour supporters to the Upper House, but he did not ask for a single appointee except Fitzgerald, who was appointed M.L.C. solely because he was a minister of the Crown. Holman should have made many appointments after his electoral triumph of 1913; but as he was prevented by the party from appointing McIntosh he would appoint no one. For this abstention, Holman could expect no gratitude whatever from his political opponents; and, sensing that time was running against him, journals like the *Daily Telegraph*, which were cowed and almost terrified after Labour's great victory of 1913, felt it safe to resume their earlier attitude of insult and personal hostility. So,

when Holman made light of the cry of "Germans in the Public Service" he was fiercely assailed. The fact that the cry lacked sound foundation in fact was nothing to the point. Similarly with the anti-saloon agitation. Holman decided that he could not hastily abandon an interest which had given valuable support to the Labour Party. Although his motive was understandable, his faulty manoeuvring finally resulted in the liquor interests being worse off, for the closing hour of hotels was fixed at 6 p.m. instead of at 9 p.m., the compromise at first suggested.

These matters would have been of trifling importance if Holman had seriously attacked the Upper House problem. But, as his failure continued, and it came to be generally believed that he did not propose to act vigorously, the opposition to him hardened, and the Upper House resumed its tactics of 1910-13. Next, Holman saw fit to make casual and unconsidered utterances on so vital a problem as conscription—an attitude which was unworthy of his great career. He had always endeavoured to investigate the facts of a problem, realizing that, unless the facts were fully ascertained, the formation of any opinion was quite unjustifiable and might be dangerous. Up to the final break, the Labour movement treated him rather generously. Realizing the debt owed to Holman, the Labour Conference of 1916 condoned his almost indefensible attitude towards the Upper House. Even after the conscription referendum campaign started, and Holman had taken his place at the side of Hughes, he was not expelled from the party, but merely disqualified from standing as a Labour candidate at the general elections. When the No vote was carried, it would have been far better if Holman had refrained from forming a coalition with the political enemies of the Labour movement. McGowen, Griffith, Meagher, and others, although conscriptionists, steadfastly refused to join any anti-Labour coalition. Had Holman refrained from coalescing with Wade, the elections would have been held and there would have been an evenly divided house, including (in all probability) Holman as an Independent Labourite. In that case, the return to Labour unity could not have been long delayed.

On the other hand, those directing the official Labour Party were much to blame for the decision to treat the question of conscription as the acid test of *future* loyalty to the movement. Subsequent experience showed that it was not a sound test. Many who were anti-conscriptionists subsequently abandoned the Labour Party upon one pretext or another and joined its opponents. On the other hand, many who were conscriptionists in other States of Australia subsequently rejoined the party and rendered it great service. It is not safe to generalize about motives. So far as the "industrialist" executive of 1916 was concerned, most of them regarded the conscriptionists as representing the "familiar war time masquerade of reaction in the bright clothes of patriotism"; but, to a few of them, at least, opposition to con-

scription was merely a stepping-stone to a parliamentary career. On a longer view, it might have been better for Labour to fight conscription, to defeat it, but yet to refrain from a perpetual exclusion from its ranks of two men of genius like Holman and Hughes. Even if they acted erroneously, they had proved by their lives that at heart they were radicals. Perpetual exclusion of great leaders necessarily carries with it the perpetual hostility of thousands of their followers.

CHAPTER XLIX

HOLMAN AS COALITIONIST

As Premier of the "National" coalition, Holman decided to wind up the 1916 session and get into recess as soon as possible. The next few months would tell whether the new Government would introduce a policy of reaction or would, as was generally expected, advocate a Liberal-radical policy.

When, in the Upper House, Fitzgerald, on behalf of the Holman Coalition Government, proposed to proceed with the amending Workmen's Compensation Bill, he was advised by Carruthers, the "unofficial" House leader, to concentrate on the war and abandon the Bill; Carruthers complained that the new Government should not father Labour legislation. A free conference between the Houses was arranged, and a compromise was reached. It was agreed that the Employers' Liability Act should be repealed, although such repeal was not included in Labour's original Bill, and was not a logical corollary of the principle of workers' compensation.

Holman's example in forming a Coalition Government in New South Wales was followed by Hughes in the Commonwealth sphere, but only after much hesitation. After the adverse vote of 28 October 1916, Hughes reconstructed his ministry, but confined its personnel to those Labour men who had supported conscription. Frank Tudor then became leader of the official Labour Party. It was not until January 1917 that Hughes formed a Federal National Coalition. A new organization called the "Nationalist Association" was set up, and Cook, Watt and Forrest all became members of the ministry.

At the end of 1916 Holman committed himself to the principle of not further increasing State income taxation during the war. He accepted the theory that, as far as possible, direct taxation should be reserved for the war purposes of the Commonwealth. This reassurance to wealthy interests was so pleasing that, for the time being, the villain of the Left became the hero of the Right. But the *Daily Telegraph* was not so enthusiastic. It warned Holman that attempts to go on with the building of the city railway or new country lines must be abandoned until after the war, and it again resurrected the "Nielsen scandal". The Labour Government had appointed Nielsen Trade Commissioner at San Francisco. There he had done well. But the fact that in five years he had received salary and allowances aggregating £5000 was enough to stir the *Telegraph* to furious indignation. Renewed trouble with the Press was foreshadowed when Holman, shocked at criticism of his Nationalist Government from a paper which was anti-Labour, complained that the *Telegraph* had given a sinister colouring to

the appointment of the able Nielsen to a position in which he had made investigations of great value to the State.

For the time being, it seemed that Holman might easily succeed in attracting to his side some of those interests which had helped to oppose conscription. Thus the *Catholic Press*, on 23 November, 1916, made a sharp distinction between Holman and Hughes:

In character Messrs Holman and Hughes have very little in common. Those who are most opposed to Mr Holman are prepared to admit his sincerity, while even the friends of the Federal Prime Minister do not trust him. On the matter of conscription, Mr Holman was in the wrong, but we believe he was honestly in the wrong, while few doubt that Mr Hughes is little better than a political adventurer, who broke his promise that no Australian would be sent out of the country to fight against his will, and in the Tory drawing rooms of England entered into a conspiracy, which, if it had been carried out, would have the effect of destroying the liberties of the Australian people and ruining the Commonwealth.

Early in 1917 there was a very considerable reduction of public works, and hundreds of State employees were put off. Holman received a deputation from the Labour Council and explained that there was "no *intention* of creating unemployment". But the process of retrenchment went on. The city railway works were stopped, and the Water and Sewerage Board dismissed many employees. Then the Sydney Press, seeming to think that the general elections could not take place for at least a year, resumed their old condemnation of the Norton, Griffiths contract. Again, what was called "the elevator scandal", by which the erection of a terminal wheat elevator at Sydney was to be paid for by the State, not in cash but by means of State Treasury bills, was also denounced. Holman replied that, through the Norton, Griffiths scheme of finance, the State had been able to raise more loan money on the London market than had been obtained from the Commonwealth rationing scheme by all the States put together. He explained that the British Government was strictly rationing all loan moneys intended for "colonial" purposes, and he was extremely anxious to avoid wholesale unemployment. The *Sydney Morning Herald* expressed itself satisfied with the Premier's explanation of the Norton, Griffiths scheme, saying: "We think a good case has been made out for going on." Next, Holman showed intense annoyance at criticism suggesting that the terms of the wheat elevator contract were being "arranged" or drafted for the benefit of an American contractor. The scheme (which Parliament had authorized immediately before the formation of the coalition) provided for one terminal grain elevator in Sydney, one at Newcastle and up to 200 in country districts. Holman explained that all the financial objections to the scheme had been fully answered by the evidence accepted by the Select Committee of Parlia-

ment and that the American company alleged to be tendering, was merely acting as advising engineers. Then he attacked his critics: "Any one who said that that was a conspiracy to give Metcalf and Co. the contract in a back-handed way was a liar."

Meanwhile, Holman undertook the task of dissuading one or two conservatives in the Cabinet from rejecting his draft of a general policy for the coalition. Obviously the existing parliamentary situation could hardly be allowed to continue indefinitely. The Government needed popular backing and needed it badly. The excitement of the conscription campaign had died down, the official Labour Party had not recovered its strength after the loss of dozens of its members of Parliament, and thousands of its supporters in the Labour leagues. Sensing his opportunity, Holman made up his mind not to postpone the elections until the end of 1917. For himself, he badly needed a complete holiday. He dared not take it until the elections were over. He decided to declare a progressive policy, to rush an election, and then to pay a visit to England.

The parliamentary supporters of the coalition were summoned to a party meeting, and Holman's outline of a "platform" was adopted. Its main points were as follows:

1. Parliamentary Government free from dictation.
2. Vigorous prosecution of war and protection of returned soldiers.
3. The State to undertake works not only for developmental purposes, but "where private enterprise establishes a monopoly to the injury of the public."
4. State undertakings to be self-supporting and, if not legitimately paying, to be closed down or disposed of.
5. Ownership of coal mines by the Railways Commissioner.
6. Encouragement of industrial as distinct from political unionism "that is, any unionist to be allowed to abstain from the political activities of the union."
7. Active education, health, and housing legislation.
8. Development of the trawling industry.
9. Price fixing only where the public is exploited.
10. Freehold or leasehold tenure of Crown lands, but settlement areas to be limited to home maintenance area.

Giving no hint of the elections to his political opponents, Holman hurried to Gundagai where, supported on the platform by many of the Liberal Cabinet Ministers, he delivered a policy speech. From the first, he struck a note which showed that the policy of *his* Government would be radical, not reactionary. (One of Holman's greatest achievements was his success in persuading the Liberals in the coalition that the numerous State enterprises established by himself and Griffith should be continued, providing that they were being conducted with reasonably satisfactory results.) Part of Holman's very brilliant speech was a vindication of Labour against the charges of

extravagance which had been made by the very Liberals who were occupying the Nationalist platform as he spoke. He pointed out that most of the money borrowed by the Government had been profitably spent on railways. Finally, he reassured the Catholic section of the community by declaring that the principle of the Bursaries Endowment Act would be faithfully followed by the new Government; there too, he said, no reactionary policy was to be feared.

From a tactical point of view, Holman chose an excellent moment for opening the electoral campaign. The I.W.W. prosecutions had concluded in verdicts of guilty against each of the twelve men charged with conspiracy, and, although appeals were pending, their proved guilt enabled anti-Labour speakers to link up anti-conscription and even the Labour Party with criminal extremism. Arthur Griffith said that, although he was not a follower of the Holman-Fuller coalition, Holman's policy "might be a Labour policy"—an opinion which George Black also echoed.

There was a suggestion that, in view of the decisive No majority at Cootamundra on 28 October, Holman should abandon his old electorate and accept the safe conservative seat of Gordon which Wade had vacated for the position of Agent-General for New South Wales in London. Holman spoke at Gordon on 21 February in a vein which should have appealed to Wade's supporters. But the conservatives did not hurry to embrace their new leader, and the security of the Gordon seat was reserved for a "safer" man. To Cootamundra, therefore, he was forced to submit himself.

Durack had mysteriously disappeared from the political scene, and the leadership of the official Labour Party devolved upon John Storey, who at last occupied the position in which he had posed for twenty-four hours during the manoeuvres at the Labour Conference of 1916. Storey was faced with what was an almost impossible task; but he made a very good start.

In his policy speech, he congratulated the Liberals upon their sudden conversion to the policy of State undertakings, and pointed out that Fuller himself now admitted that the State trawling industry should turn out to be a successful public servant. Storey made a biting reference to Holman's attempt to associate the Labour Party with the I.W.W. and its sabotage, symbolized by the "Sab Cat". "The mention of such a quadruped should," he said, "make Holman's nervous system tremble. For there are, you know, land rats, water rats, union rats and political rats." He amused his audience by describing how Holman had promised him a position in the ministry after the 1916 Labour Conference was over. "My elevation was to take place on the morrow—but that morrow never came." The most effective point of Storey's speech was that, if the people elected Holman, he might interpret it as a specific mandate in favour of conscription; and that Hughes might be expected to take a similar stand.

The campaign warmed up. To Storey's aid came Frank Tudor from

Melbourne and Joseph Lyons from Tasmania. There was an exciting incident when Holman and Meagher daringly attempted to face the St Patrick's Day gathering at Sydney. Always welcomed at previous Irish demonstrations, they were now refused a hearing, the crowd surging round the two speakers calling out "Traitor" and "Rat" until each was compelled to sit down. In view of this convincing evidence that the conscription issue had not been forgotten, Holman deemed it necessary to give absolutely clear and unambiguous non-conscription pledges on behalf of the Government. At Condo-bolin he said: "The conscription issue has been settled and is now dead." At Bankstown on 12 March he went further and promised that "if, in the event of the Nationalist Party being returned, Mr Hughes attempts to take advantage of the situation to introduce conscription, I for one pledge myself to oppose it".¹

In the final appeal over his written signature, he declared that "every National candidate accepts the verdict on conscription and is pledged not to re-introduce the conscription issue". In this, and indeed in every way, Holman's organizing skill greatly helped the Nationalist candidates. As was said by Osborne, the leading organizer of official Labour:

I quickly discovered that the Nationalist party organisation under the leadership of Holman was entirely different to the lackadaisical methods of the old Liberal party. On my arrival I found the electorate flooded with organisers and canvassers from the opposing side.²

At Cootamundra, Holman's official Labour opponent was a prominent Irish Catholic, P. J. Minahan. Wherever Minahan went, he was pursued by bitter anti-Catholic pamphlets, and, to some extent, this introduction of the sectarian issue assisted Holman to obtain anti-Catholic votes which he never previously polled. But the main reason for his success was plain. He started off with a solid Liberal vote to which was added an appreciable percentage of old Labour voters who had always voted for the man as much as for the party. The final figures were:

Holman, W. A.	4411
Minahan, P. J.	3590
	<hr/>
Majority	821
	<hr/>

On the whole, the electors accepted Holman's very explicit assurance that conscription was out of the way. As a consequence, any Labour member who had been expelled for advocating conscription and was now standing as a Government candidate or as an Independent Labourite against an official Labour man, would start off with the solid Liberal vote. To that vote he had only to add substantial minority of his old Labour votes and success was

assured. Accordingly, in New South Wales, while official Labour recaptured eleven seats, its majority always occurred in the very strong Labour centres, where the Liberal vote was small. Thus, official Labour's gains were at the expense of sitting Labour members who had become conscriptionists. Instances of this were the defeats of McGowen, Griffith and Meagher. These three men stood as Independent Labourites and at no time joined up with the National Party. McGowen was defeated by W. J. McKell, a young trade union official who subsequently became a prominent Labour leader, a minister of the Crown and Governor-General of the Commonwealth. In the result, the Nationalists won 50 seats out of 90, and official Labour only 33. None the less, Labour polled 232,000 votes against the 261,000 of the Nationalists. These figures showed clearly that the Labour vote was still very solid. According to its critics, official Labour had "blown out its brains". In truth it still remained as a great political force.

CHAPTER L

LONG JOURNEY

HUGHES quickly followed Holman's example. The New South Wales figures were too eloquent to risk further delay. After dissolving the House of Representatives, Hughes was returned by a similar combination of forces to that which prevailed in the key State of New South Wales. But he was compelled also to undertake that the Federal Government would not introduce conscription without the special approval of the people, given at a second referendum.

Safe in power for another three years, Holman was eager to hasten to England. As a consequence, it was *after* his departure from the State, on 6 May 1917, that McIntosh was appointed a member of the Legislative Council after so many years of waiting. Appointed at the same time was P. T. Taylor, McIntosh's chief assistant in arranging the terms of the Labour-Liberal coalition. In all, Holman obtained no less than twenty-three nominations from the Governor; this number was quite excessive in the circumstances, for there was not the slightest reason to fear that the Upper House would hold up any of the Bills of the Nationalist Government. Whether or not the appointments should have been constitutionally refused by the Governor is another matter, but Holman's request for so large a number at such a time fully justified the very strong comments which were made by Labour members of the Assembly who, between 1910 and 1916, had been left almost defenceless against the Upper House. Holman thus created a precedent according to which equally large batches could be and were demanded by subsequent Governments. If Holman had been Labour Premier at the time of his twenty-three appointments, the Press would have treated the matter as creating a great constitutional crisis. As it was, little or nothing was said. Holman himself had set this time-bomb before his departure. By June he was already in London.

There he was interviewed about the prospects of Labour's recovering power in Australia and said: "The Labour movement in Australia is utterly crushed. I don't say it is ruined, but it will take ten or fifteen years to recover." Obviously he desired to enlighten the English politicians as to the position in Australia. Entertained at the Savoy, he dealt with the conscription issue:

The responsibility for that defeat rested largely with New South Wales, because the vote for Australia, apart from that of New South Wales, was in the affirmative, and it was only the vote of that State which turned the total vote into a negative. Happily, when he and Mr Wade sank their political

differences and appealed to the people of New South Wales on a National platform, they were successful and a similar result followed in the Commonwealth when Mr Hughes formed his National Government and appealed to the people of the Commonwealth on a National policy. These two elections justified him in saying that the failure of the referendum should not and could not be taken to indicate that the people of New South Wales or the people of the Commonwealth as a whole were lacking in sympathy or support on behalf of the Mother country in the war which she was waging for the integrity of the whole Empire.

This part of Holman's Savoy speech was interesting, straightforward and uttered in his most eloquent manner. But, after tracing the causes for the vote in favour of No, Holman could not resist a dangerous addendum. "He believed that if it should be found possible to reopen the question in a further appeal to the people, a different result would be obtained." Holman's pledge as to the conscription issue should have made him stop at an earlier point. No doubt his remark could be interpreted innocently, but, when published in Australia, it was denounced by official Labour leaders as a plain breach of faith.

Holman then made a striking entry into the territory of war strategy, forgetting, for the moment, that the publication of new and original ideas on such matters was seldom welcome:

He was no soldier; and it was with great diffidence that a layman, and a visitor, made any suggestion about war. We were undoubtedly making advances, and he would ask the Prime Minister and his colleagues, and the members of the House of Commons, whether a balance sheet could be made out against the measure of an achievement like that of Messines, and the national energy which had to be expended some months before, in order to prepare for it. From that point of view, he asked whether the time had not arrived when we should rather place our trust in the introduction of a novel method—whether we should not realise that the arms we had relied upon in the navy and army were not arms upon which we could rely finally for the attack, which was essential if we were to win in this struggle? Was it not possible to win that attack by some method of aviation? No methods must be lost sight of merely because they had been untried. It was by novel, and hitherto untried methods, that the task of the Government could be finally discharged.¹

For the moment, Lloyd George seemed to be impressed; but it was obviously the duty of a Prime Minister of England to qualify, and to be—well, just a little bit patronizing to the brilliant "Colonial". Lloyd George said:

The speech to which we have just listened from Mr Holman displays the quality that has won for him such a high position in Australia—the sagacity, shrewdness, and, above all, the courage of delivery—because, whatever one

may think about any of the conclusions to which Mr Holman has come as the result of his observation, no one can doubt that it required very great courage to make a speech of that kind, under the trying present conditions.

Whenever Holman appeared, he had not only something to say, but something new to say. By the *Daily Chronicle* he was described as "keen, alert and masterful, typical of the wonderful people that are growing up in Australia". Holman visited the various Australian military training camps, looked up his friends in the legal profession, and was so much in the limelight of publicity that there were rumours that he would seek a seat in the House of Commons. Holman revealed himself as a different type of speaker from Hughes, whose imagination aroused audiences to higher pitches of emotion. Most of Holman's observations were carefully considered, and he found it impossible merely to seek applause by means of war-time slogans.

Visiting France to pay a visit to the Australian army, Holman was presented to the King. On the following day, together with Frank Edwards (his private secretary) and General Holmes of the A.I.F., Holman was driven to a point well within the danger zone of the Australian sector. The three men walked away from the road, and, while still at a considerable distance from the front line of trenches, were observing an enemy aeroplane when a German high explosive shell fell near them. The air concussion threw both Holman and Edwards to the ground, bruising them and tearing their clothes. Most unhappily, a fragment of the shell struck General Holmes and he was killed. According to Holman's account, an earlier shell had passed near enough, and Holmes laughed and said: "They have spotted you, Holman! This is unhealthy, let us move", and while the three were walking on, Holmes met his tragic fate. Two days later, when Holman returned to London, his wife was shocked to find him so badly bruised and shaken and above all so distressed.

Gradually recovering from his shock, Holman had a last minute rush of engagements, lunching with Asquith, breakfasting with Lloyd George and week-ending with H. G. Wells. He returned to Australia via New York, where he was entertained at luncheon by Lord Northcliffe who described him as "one of the most remarkable statesmen of the Empire".

During Holman's absence abroad, the one Act of importance passed by the New South Wales Government was to repeal the important safety enactment, by which the employment in coal mines of inexperienced persons was forbidden. The occasion of this Act was the extension to other industries of a great strike in the New South Wales railway and tramway services in August 1917. More than 20,000 of the wage employees of the Government Railway and Tramway Department struck work as a protest against the introduction of the "card system" at the Randwick Workshops. The railway dispute soon narrowed itself into the question whether, pending impartial

investigation of the card system, its reintroduction should be postponed, an issue on which either side could, without loss of prestige, have given way to the other, or even tossed up for it. For a time, however, the transport services of the State were almost paralysed, and the Government tried to broaden the narrow issue of the strike into a political question of great magnitude. Thus, on 12 August, Fuller actually issued a "proclamation" stating:

TO THE PEOPLE OF NEW SOUTH WALES

The enemies of Britain and her Allies have succeeded in plunging Australia into a general strike.

For the time being they have crippled our country's efforts to assist in the Great War.

At the back of this strike lurk the I.W.W. and the exponents of direct action.

Without realising it, many Trades Unions have become the tools of Disloyalists and Revolutionaries.

A great conspiracy has been fomenting for the past two years to prevent Australia rendering further assistance to Great Britain and her Allies. Every striker is playing a game for Disloyalists.

Every striker is singing from day to day the hymns of the I.W.W. and marching to their music.

THE GOVERNMENT IS NOT AGAINST THE UNIONS

All Unionists who volunteer for work will be accepted as Unionists, and will be enrolled as members of the New Unions, registered under the Trades Unions' Act.

Who is for Australia and the Allies?

Many of the allegations of this "proclamation" were quite unsupported. The charge of disloyalty was not, and could not be, substantiated. The Government called for volunteers to man the services and gave certain undertakings both to the volunteers and to those who remained at work, the latter group being termed "loyalists". After five weeks, during which a comparatively small percentage of the strikers dribbled back to work, a settlement was reached upon written terms. A considerable number of the strikers were either not re-employed at all, or employed at a lower grade or position than before the strike. Unfortunately for Holman, neither the Government nor the Railway Commissioners fully carried out the written promises to the men upon which the strike was settled.

Subsequently, the Royal Commissioner (Judge Edmunds) appointed to examine the question of the 1917 strike reported, *inter alia*, that some of the strikers did not get a fair and reasonable inquiry at the appeals heard before the Special Appeals Boards constituted by the Commissioners; that the terms of the settlement agreement were violated; and that certain employees were treated unfairly.

But the most serious feature of the strike aftermath was the launching of a very insidious attack upon trade-unionism itself. The Railway Commissioners, public officers all appointed by the Government of the day, actually engaged themselves in promoting new trade unions for the purpose of drawing membership away from the long-established unions which had been prominent in the strike. When the matter was referred to in Parliament, answers were given by the ministers, which in the Royal Commissioner's opinion, "amounted to a deliberate attempt to suppress the truth".²

As the railway and tramway strike developed into a general strike, and the coal-miners came out in sympathy, the Industrial courts took drastic action against the unions concerned, and most of them were de-registered and rendered incapable of protecting the interests of employees in court hearings, even in cases which were pending before the strike began. From the Press, Fuller received much adulation for his "stern" and "masterful" handling of the dispute, the *Telegraph* maliciously observing that the strike had been "dealt with very capably during Mr Holman's absence".

While Holman himself never came to be regarded by the employees as the villain of the great dispute, extreme bitterness was caused by the Government's undoubted failure to adhere either to the spirit of the settlement or to that part of the very words of it which declared that re-employment would be offered "without vindictiveness".

CHAPTER LI

CONSCRIPTION ISSUE AGAIN

ARRIVING from the United States with health restored, Holman's first and main thesis was on the war position. He refused to underestimate its gravity:

Germany he found had, in fact, a very definite plan, and had, to a very large extent succeeded in effecting her plans. She had all but immobilised Russia; and there was the danger that she might immobilise Italy. These and other mighty schemes Germany had been able to propound after three years of deadly struggle. It was this Power which sought to enslave the world today and trample it under its iron heel. It is only by the entry of the United States into the struggle that we might hope to redress the balance and see that victorious peace for which the Allies were fighting in the cause of righteousness.¹

During Holman's absence, ardent conscriptionists like W. H. Irvine of Victoria had said publicly that they refused to accept the first referendum vote as a final verdict. They continually agitated in favour of Hughes's taking action anew. Finally the agitation was successful in inducing Hughes to re-submit the question to popular referendum, and, late in 1917, he put forward a modified scheme of compulsion. He proposed that voluntary enlistment should be continued, and that, so far as it did not succeed in procuring recruits at the rate of 7000 per month, compulsion should be employed by means of a ballot to be restricted to single men between the ages of twenty and forty-four years of age.

Holman was amazed at Hughes's decision, and, on 8 November 1917, he announced that he was entirely taken by surprise. But he added that, subject to two over-riding conditions, he was prepared to advocate a Yes vote. First of all, Hughes must announce that he would stand or fall by the decision of the people so that, in the event of a No vote, his ministry would go out of office. The second condition was that, on this occasion, there must be absolute freedom of discussion by the Press and on the platform. "It will," he said, "be absolutely necessary that all employment of censorship as an instrument of moulding public opinion should be definitely abandoned."²

Here again we must note that Holman failed to make any real investigation of the figures upon which Hughes based his revised monthly quota of reinforcements required. No one in the key political positions of Australia seemed to be even interested in this vital matter. Yet, according to one official Commonwealth historian:

The statement in the outlines of the Government's new scheme, that it was necessary to recruit 7,000 men per month, was not made with the con-

currence of the Director-General of Recruiting, whose opinion was that 5,400 men per month would be sufficient to provide reinforcements to make up for the wastage of five divisions.³

Even the figure 5400 was perhaps an overstatement because, during the Governor-General's conference of 1918, the number estimated to be required per month was given at a lower figure.

In view of his unequivocal pledge at the election of 1917, it was obviously essential that, before Holman committed himself to the new scheme, he should obtain accurate information as to the progress of recruiting.

During the period of thirteen months, from November 1916 to November 1917, despite the unfavourable repercussions of the first referendum, despite the continued political crisis within New South Wales, where within two months both State and Federal elections were held and the Labour Party and their supporters—forty-six per cent of the voters—were denounced as traitors and disloyalists, despite the great strike of 1917 where the strikers were denounced as “pro-Germans” by the Nationalist Government, there had been an average monthly recruitment of nearly 4000 men. Moreover, out of the total of 50,526 during the thirteen months' period, the New South Wales recruits had numbered 20,124. In view of this, the two crucial questions for Holman to face were (i) was the 7000 quota justified and (ii) was it worth while to split the community again in order to obtain the added number of recruits?

On this occasion, the first point was bound to be of decisive importance, for obviously the anti-conscriptionists would seize upon the gross inconsistency between the 16,500 declared to be the necessary monthly quota in October 1916, and the 7000 per month admitted to be sufficient in November 1917. Holman realized the grave importance of the discrepancy. “I am free to admit,” he said, “that those who criticized the Government's proposal twelve months ago have been largely borne out by the experience of the year. This in candour must be admitted.” But the next question for Holman's consideration was, on what factual basis was the altered demand made? Was there any reason to suppose that the estimate of 1917 was any more accurate than the erroneous one of 1916? But he again failed to pursue the vital investigation.

On the occasion of the second referendum, Holman's speeches lacked the enthusiasm displayed during the first campaign. In every doubtful area where he spoke the audience was hostile, and John Storey unmercifully rammed home Holman's general election pledge that, if the issue of conscription was again raised by Hughes, the State Government would oppose him. Even some of Holman's Nationalist supporters keenly felt the ambiguity of their position and refused to give public support to the Yes side.

During this second campaign, the instrument of censorship was frequently employed against prominent No advocates. For instance, prosecutions were launched against No leaders who asserted that the A.I.F. was being reorganized on a basis of six instead of five divisions and even—when the prosecutions failed—against the *Worker* for its report of the prosecution proceedings. Henry Boote was also prosecuted for publishing a telling article called "The Lottery of Death", in which he said: "Conscription takes the form of a Lottery. Lives are to be drawn for on the principles of Tattersall's Sweep." Once again the Yes side invoked the assistance of General Birdwood, commanding the A.I.F., who sent a message to Australia asking for approval of Hughes's scheme. On this occasion, too, a somewhat desperate effort was made to obtain a solid anti-Catholic support for the scheme. But it was difficult to answer the No argument that since, up to October 1917, there had been over 298,000 Australian troops sent overseas, the adoption of the heavy quota might have a disastrous effect upon primary and secondary production.

In Queensland the censorship question led to a great crisis. T. J. Ryan, the Labour Premier, ably led the No side. He made a speech in which he strongly objected to the question-begging form of the ballot paper which made no mention of "compulsion" or "conscription". Ryan said that the issue was compulsion or voluntarism and that question only should have been asked. His speech as actually delivered, and as published after Commonwealth censorship, was as follows:⁴

Mr Ryan's speech as actually delivered and as submitted by the Press to the censor.

The question Mr Hughes put is this—"Are you in favour of the proposal of the Commonwealth Government for reinforcing the Commonwealth Forces overseas?" *How misleading that question is.* I don't care whether you are for "Yes" or "No." *But is that a fair form of question? No. And does not the Prime Minister know that the people of Australia know that it is unfair; that it is intended to mislead? To get them to vote for reinforcements! We are all in favour of reinforcements. (Great applause.) (Words italicized were struck out by the censor.)*

Mr Ryan's speech as printed after censorship.

The question Mr Hughes put is this—"Are you in favour of the proposal of the Commonwealth Government for reinforcing the Commonwealth Forces overseas?" I don't care whether you are for "Yes" or "No." To get them to vote for reinforcements? We are all in favour of reinforcements! (Great applause.)

In this instance the result of the censoring was (i) to excise from the report the very important protest made by Mr Ryan against the disingenuous form of the question on the ballot paper, and (ii) to imply that Mr Ryan was either indifferent to the result of the vote or even favoured a Yes vote.

CAN THE FEDERAL GOVERNMENT BE TRUSTED?

"A point of supreme importance for every elector to consider is, whether any single pledge given by Mr. Hughes will be kept.

There is no reason to believe that the pledges of any set of politicians are any more trustworthy than those of another—that the Federal National Party is more trustworthy than the State National Party.

In view of this, the following repudiation of a solemn pledge given by the State National Party is most illuminating:—

Mr. Holman at Glebe ("Daily Telegraph," March 19, 1917):

"I speak for the whole National Party when I say that not only will we not bring up Conscription again, but we will join with our friends and help to **OPPOSE ANY EFFORT TO ENFORCE CONSCRIPTION OF THE AUSTRALIAN PEOPLE.**"

•Mr. Holman at Gaudagai ("Daily Telegraph," March 20, 1917):

"The idea that the Federal Government would again attempt to introduce Conscription was a foolish and crude view, but if the Federal Government did so the National Party would itself oppose it."

Don't trust such men.
Mr. Hughes in the past has shown that his pledges are of no more value than those of Mr. Holman. Be wise—vote NO.

P. C. Evans, Macdonell House, 321 Pitt-st., Sydney.

THE VOTE THIEF

Mr. Holman at Sydney Town Hall ("Daily Telegraph," November 15, 1917):

"A 'few' of our members are in the position of having to honor pledges given in good faith. But for the majority of the State National Party I am here to say 'We are behind the Federal Government.'"

POLITICAL CENSORSHIP IN 1917

An actual specimen of censorship during the second conscription referendum. The above *Worker* proof shows that the Censor permitted the Editor to criticize State Premier Holman but cut out every criticism of Prime Minister Hughes.

[Holman directed that this specimen of censorship should be kept with other personal papers in the Mitchell Library.]

When it is also remembered that the Press was forbidden (by a War Precautions regulation) to disclose the fact that there had been any censorship whatever, a convincing instance of unfair political censorship is established.

Accordingly Ryan, Theodore and McCormack arranged that this and similar instances of political censoring should be collected and the facts fully exposed by medium of speeches to be delivered in the Queensland Legislative Assembly. A debate on the censorship was raised and several cases of the same kind were cited. Then the whole debate was published in the Queensland Hansard which came to be famous as "No. 37". In the published Hansard all the matter which the censor had deleted was printed in specially leaded type so that a reader would have no difficulty in seeing what the censor had done and what change in meaning had been effected by his action. Not unnaturally, Hughes was extremely annoyed. He ordered Federal officers in Brisbane to obtain assistance from the State police and to seize all copies of No. 37 in possession of the Queensland Government Printer. Many were seized but many thousands of copies had already been distributed throughout Queensland. Then Hughes threatened to prosecute Ryan if, outside the privilege of Parliament, he repeated the statements which he had made in Parliament and had been published in No. 37. Ryan and Theodore immediately accepted the challenge and repeated their speeches. Prosecutions were then commenced and counter actions and prosecutions against Hughes were also launched. Political feeling became keener and shortly after, when speaking at the Warwick railway station on his Queensland tour, Hughes was assailed with an egg. His retort was to order the formation of an independent Commonwealth police organization.

All these incidents caused a crescendo of excitement throughout the Commonwealth. Meanwhile, the political censorship was continued, and, at Sydney, Boote, the *Worker* editor, was easily able to convince Holman that the censor was allowing publication of political criticism directed against Holman himself, but was disallowing, and even censoring, similar criticism of Hughes, even when such criticism was part and parcel of the same article. Instances were furnished to Holman by Boote, and one example of this utterly unjustified discrimination is afforded by a *Worker* proof as finally altered and passed by the censor at Sydney. The censorship was political. Advertisements for the No vote were emasculated or suppressed. The main sense of the Labour Party's criticism was deftly turned in order to concentrate it on Holman, and in order to allow Hughes to escape altogether.

It can easily be imagined how Holman's pride and self-respect, as well as his general feeling in favour of liberty, reacted to this disclosure. But there was no evidence that Hughes himself was the inspirer of the censor's performance. The incident convinced Holman that the system of censorship had been developed to such a point that the officials were quite indifferent

to the fact that freedom of discussion was essential to a proper vote, and were imbued with the notion that it was part of their job to protect Hughes and let less important personages (such as Holman) be thrown to the mercy of their many No critics. In spite of this, Holman felt he could not loyally expose the transaction until the vote was over. Even then a full exposure might have subjected even him to a prosecution for taking part in the publication of matter which had been duly censored.

As it turned out, Holman's name figured prominently in the last election bombshell; but in a very different way. It appeared that, ten months before, in February 1917, Holman had circulated among his cabinet ministers a confidential report in which he suggested the desirability of (i) creating an entirely new atmosphere in relation to war questions, and (ii) "bringing to bear new economic factors". He said that matters which should be seriously considered by the Cabinet were restrictions on amusements and well organized censorship of the Press. In this report to Cabinet, he also condescended to describe how "economic factors" might result in the dismissal of unmarried employees in the railway services:

Arrangements should be made for them to be interviewed by recruiting sergeants, or preferably other recruiting agents. This should be done, not at the navvys' camps, where the individual will be surrounded by influences hostile to recruiting, but on their arrival at railway depots. Properly organised arrangements should be made for leading them into military camps.⁵

So far, the secret memorandum was directed to employees of the Government. But paragraph 11 proceeded to deal with employees of private concerns:

Most important. The employers of the State should get together. They should be asked to consider.

1. How far single men of military age can be replaced by married men and men over military age.
2. How far they can be replaced by young men and boys.
3. How far they can be replaced by women.
4. How far they can be dispensed with altogether.

The industries of the State should be reorganised upon this footing. When this is done, the employers should be invited to, as far as possible, dispense with men who ought to be defending the country.

On the very eve of the conscription vote, some State official furnished a copy of the memorandum to the No side. It was immediately published by the Labour Party with appropriate comment. Holman frankly admitted that such a memorandum had been submitted by him to Cabinet, but merely as a basis for discussion; he said that no decision whatever had been taken upon the memorandum. But Boote, who remembered that in January and February of 1917 much retrenchment had taken place, thundered a tremend-

ous indictment. In his view, it was proved that Holman had proposed to use economic pressure for the very same purpose as was now to be achieved by open military conscription. And Boote scarified Holman for his apparent inconsistency over the question of Press censorship.

On the occasion of the second referendum the New South Wales figures told heavily against conscription. No was carried by a majority of 166,000 in Australia, and in New South Wales alone the majority for No was 146,000. On this referendum, however, all the States except Western Australia and Tasmania gave a No majority, although in some of the States the voting was very close. Subsequently the soldiers' vote was officially declared to have been 103,000 to 94,000 in favour of the proposal.

In order to assist in the carrying of the referendum, Hughes, in response to Holman's demand, had given repeated public assurances that, if his proposals were defeated, he would not attempt to continue in office as Prime Minister. After the vote, but before Hughes's intentions were known, D. R. Hall made a statement to the Press appealing to members of the Nationalist Party "to choose for us another leader and one on whose promises we can rely". He recalled Hughes's promise not to allow any interference with freedom of speech. This, said Hall, he had "utterly failed to honour", his absurd proceedings in Queensland having turned T. J. Ryan's subsequent campaign visit to Sydney into something resembling a Roman triumph. The Nationalist Party must, D. R. Hall said, find a leader who "does not break his word continuously and systematically even under the pressure of his hysteria".⁶

It was abundantly clear that Holman had taken part in the drafting of Hall's statement which bore unmistakable evidence of the Premier's best invective. On Christmas Eve Holman himself handed Hughes a second Christmas box. He denounced Hughes's conduct of the Yes campaign, and said that Tudor, the Labour leader, should become Prime Minister, be voted supply, and then be given an opportunity of administering the Federal Government. Holman referred to the Prime Minister's campaign methods "against which I have privately protested most strongly. . . . Mr Hughes has been responsible now for taking four referendums; on each occasion the same temperamental failings have led to their defeat!"⁷

But Hughes soon found two sturdy defenders—first in Webster, one of his ministers, who complained that Holman could not restrain his itch to interfere in war policy, and that his present intervention reached the very limit of political effrontery, "especially having regard to the very secret minute, the weakling pledge and his evident jealousy of the Prime Minister". Webster was followed by Defence Minister Pearce who said that the attacks of Hall and Holman were "the quintessence of meanness and extremely cowardly"!

With the Governor-General's assistance, Hughes found a way out of his difficulties after the Federal Parliament re-assembled in January 1918. The

Prime Minister had pledged himself to decline to govern if No was carried against him. Very well, Hughes would resign and did so. But immediately afterwards, and as part of the selfsame political transaction, Munro-Ferguson, the Governor-General, having consulted various party leaders in order to explore the parliamentary situation, ruled that, having regard to the fact that the Federal House of Representatives had been elected only nine months previously, the business of Parliament could be best carried on by his issuing the new commission as Prime Minister—"to the Right Honourable W. M. Hughes!" It must not be supposed that Hughes had not also "explored the parliamentary situation" and did not know perfectly well that his formal retirement would be purely tactical.

The correctness of the Governor-General's action may be open to some criticism. A party-meeting had shown that, despite John Forrest's desire to be Prime Minister, and the willingness of other Nationalists to sacrifice themselves in similar manner, Hughes possessed the confidence of an overwhelming majority of the Nationalist Coalition Party. The real question was whether, having regard to the Prime Minister's pre-referendum pledges, it was not within the prerogative of the Governor-General to commission Frank Tudor, the Labour leader, and accept his advice to dissolve the House of Representatives. The Governor-General would have had little difficulty in discovering suitable precedents to justify so strong an exercise of the reserve power of the Crown. But, had the Governor-General taken such a line, he also might have encountered the fate of Sir Gerald Strickland, and been recalled. Holman expressed himself as utterly, disgusted with Hughes's manoeuvring for position. "I have long known," he said, "Mr Hughes as a man whose pledged word is absolutely worthless, but I confess I am amazed and depressed to find that the whole of his colleagues have joined him in this exploit. I can only attribute that in certain cases as due to a mistaken sense of loyalty to a man who has never been loyal to anybody or anything."⁸

But Hughes was still on top. Holman could do nothing. It was quite certain that Hughes would remain Prime Minister for a considerable period. And, almost at once, there was something of a reaction against Holman because of his attacks on Hughes, who had wisely refrained from comment. After all, it was argued, Holman himself had not been a tower of strength in the referendum campaign. His suggestion that Tudor should become Prime Minister and be permitted to govern made the conservative section of the Nationalists shudder, for Tudor believed in financing the war by making the wealthy pay high direct taxation. It was not forgotten that the last-minute disclosure of Holman's secret Cabinet memorandum had at least consolidated the vote for No. In the end, Holman received little backing except from his *fidus Achates* Hall, and the incident closed, their fingers having been badly burnt. By contrast, Hughes seemed almost unscathed.

CHAPTER LII

THE BREATH OF SCANDAL

In January 1918 Holman's own political troubles demanded his undivided attention. Twelve months earlier he had enunciated a vigorous radical policy; but very little had been done towards its execution. The bitterness caused by the 1917 strike was still acute, especially as the State Industrial Arbitration Court refused to recognize the old-established railway unions and would not even allow them to present evidence to establish grievances, which, under the terms of the railway strike settlement, they were specifically empowered to bring forward. And the Government made no move to cure the matter by legislation.

Then came trouble of a different and more serious character. In January 1918 it was revealed that the Holman ministry was actively interesting itself in securing for the well-known Newcastle coal magnate, John Brown, a long-term contract with the Victorian Government, by which Brown was to supply the State with 200,000 tons of coal per year. During the coal strike of 1917, Brown had accepted the New South Wales Government's offer to safeguard the employment of non-union labour at his coal mines; and it was reported that at the same time the Victorian Government, which had obtained coal from Brown to supply its State-owned railway service, had made an arrangement that it would enter into a contract with Brown for a period of five years, or at least two. The intervention of the New South Wales Government in Brown's favour was fiercely assailed by the general body of Newcastle coal owners into whose interstate trade the proposed contract would cut deeply.

Holman's next anxiety arose over the contract for the erection of the huge terminal wheat silo at Sydney. It was revealed that on 9 October 1916, at the height of the first conscription campaign, and while the Holman Government was still Labour, one Teasdale-Smith had tendered for the construction of the silo on the basis of 3s. 6d. per bushel for a three million bushel elevator. It was also revealed that on 15 November 1916, the very day of the Coalition Government's formation, Grahame, as Minister for Agriculture, had written an acceptance of Teasdale-Smith's tender (which was the lowest). Soon after, with the co-operation of the Commonwealth Government, it was decided that a five million bushel silo was required, and fresh tenders were called for. New South Wales Government Monier Pipes (a new State enterprise) tendered at £473,000 lower than Teasdale-Smith. The Railway Commissioner recommended that, subject to specified safeguards being embodied

in the contract, the Teasdale-Smith tender should be accepted. After a Cabinet meeting over which Holman presided, Grahame signed a minute approving of a contract with Teasdale-Smith. The contract was drafted, but without the safeguarding clauses.

Later, when Cabinet had to give its final approval of the contract, Beeby, Ball and David Storey threatened to resign because the safeguards had been omitted. Beeby had his way; the safeguards were included and the resignations withdrawn. But the incident showed that, at the very least, there had been gross negligence in a matter involving very heavy expenditure. The Government appointed a member of the Public Service Board to investigate how the error had occurred. He reported that Grahame should have satisfied himself that the Railway Commissioner's report and the recommended safeguards were both mentioned in his minute accepting Teasdale-Smith's tender, and that the Under-Secretary should then have informed the Crown Solicitor of the safeguards. A most extraordinary feature of the transaction was that the Railway Commissioner's original report seemed to have completely disappeared from the files. The affair created much public attention because rumour had already associated H. D. McIntosh's name with that of Teasdale-Smith, and on this occasion, rumour turned out to be correct. The *Daily Telegraph* concentrated special criticism on the failure to locate the Railway Commissioner's original report, stating that, as yet, no one had suggested that the document had worn away by attrition.

In April 1918 the Governor-General, with Hughes's consent and support, convened a conference intended to be representative of all political parties and of employer and employee interests in order to discuss the question of encouraging voluntary recruiting. Hughes was then on the eve of his departure for England to join in the special deliberations of the Imperial War Cabinet. He took little part in the conference proceedings, at which Labour representatives, both political and industrial, were extremely critical of his leadership. These representatives demanded the final abandonment of any plan for conscription, and also the redressing of a number of industrial grievances; subject to that, recruiting *might* be stimulated. At the conference Holman admitted that he was astounded to learn that, even when 7000 recruits was fixed as the monthly quota for the second conscription scheme, the actual number estimated by competent military authorities was 5400, exclusive of reserves. T. J. Ryan pointed out that this fact had been deliberately kept back during the referendum campaign. The following dialogue was typical of the proceedings:

MR SCULLIN: That was not the statement made during the conscription campaign. We were told that 7,000 a month were needed for reinforcements.

MR JOSEPH COOK: That included provision for creating a reserve of 30,000.

MR HOLMAN: I do not think it was explained during the referendum campaign that 2,000 of the 7,000 asked for monthly were to build up a reserve.

MR JOSEPH COOK: That I cannot say.¹

The unions of New South Wales said that, since the 1917 strike, the de-registration of the old-established trade unions had undoubtedly created a feeling of hostility to recruiting. The validity of this grievance Holman at once admitted, and Beeby, his co-delegate, said that, while he was sure that the Industrial Court would re-register these unions, he would undertake that, if necessary, a special session of Parliament should be called to secure re-registration by legislation. As might be expected, Holman was extremely prominent throughout the conference proceedings. Reference has already been made to his frank admission that he was completely unaware of the excellent recruiting results which had continued until the date of the first referendum. Now and again Holman's frankness and courtesy were replaced by signs of a temper which evidenced in a curious way his deep regret at the severance of his old Labour associations. Thus:

MR HOLMAN: I wish, in passing, to remind members of the Conference that some of us whose conscientious conviction was that conscription was necessary, and who belonged to a party that had not made a formal declaration on the subject, were expelled from that party in defiance of our rights as members of it, and when no allegation against our fidelity could be made.

MR MORBY: Excuse me, Mr Holman, that is not correct.

MR HOLMAN: Very well, if there is a difference of opinion let us not go into it.

MR LUNDIE: No man——

MR HOLMAN: I will not be interrupted by Mr Lundie.

MR LUNDIE: No man was expelled.

MR HOLMAN: Mr Lundie is a man whose presence in the Conference is an insult to many of us, and I object to being interrupted by him.

MR LUNDIE: You have no more right to be here than I have.

MR HOLMAN: If it were not out of respect to our host, there are things which might have been said before now.

MR LUNDIE: I will interrupt you as you have interrupted other people.

MR HOLMAN: I want no insolence from Mr Lundie. I am not going further into that matter since it has given rise to dispute. But I will content myself by saying that if there was bitter feeling it was not wholly on one side.

MR SCULLIN: But one side raised the question of conscription.

MR HOLMAN: Do you not think that men who, because of their belief in conscription walked out of a party to which they had belonged for 20 years rather than give up their belief, were as conscientious as those who took the other side?

MR SCULLIN: It was your side who threw in the apple of discord.

MR HOLMAN: Can you believe that Mr Watson and I broke our connection with the Labour movement, with which we had been associated from its inception, without believing in the principle which led to our separation from it?

MR SCULLIN: I am not saying that you did not believe in it.

The Governor-General's Conference did not result in the adoption either of any specific scheme for assisting voluntary recruiting or even of any general declaration in favour of it. But it created a valuable forum for the exchange of conflicting viewpoints with a view to the possible removal of some of the existing obstacles to recruiting.

After Hughes left for England, W. A. Watt became acting Prime Minister. But although Holman's relationship with Watt was friendlier than his relationship with Hughes, Holman still remained fiercely critical of everything amounting to a Federal trespass upon the State's constitutional prerogatives.

In June 1918 the triennial Interstate Labour Conference met at Perth. There it was formally decided to include opposition to conscription as a plank in the Labour platform, and to make past support of it a ground for exclusion from the party. The conference recommended that, subject to a referendum of all members of the Labour Party throughout Australia, active participation in recruiting should be subject to two preliminary conditions, namely: (i) the production of evidence that the Allies were ready to make peace with the central powers upon a footing of no annexations and no indemnities, and (ii) a critical investigation of Australia's economic capacity and manpower, having regard to its own essential requirements. The referendum was to be held among all members of Labour leagues and unions throughout Australia, and the vote was to be completed by the end of 1918. Undoubtedly this resolution, violently as it was attacked, fairly expressed what seemed at the moment to be the majority opinion of Australians, as disclosed by the referendum figures. For, as the second referendum campaign had developed, stress was increasingly laid by the No advocates on two points: (i) that, having regard to her own requirements, Australia was practically exhausted of all available manpower, and (ii) that the original war aims of the Allies had been replaced by desires for territories and markets, and for economic aggrandizement generally. Further, the Perth Conference assumptions were merely those of the basic socialist theory that, until there was socialism in all countries, war would remain inevitable. In his attacks on the conference, Holman conceded that: "Capitalism in the search for new markets has caused war, that cannot be denied, but the present war he attributed solely to dynastic aggression and ambition. The world is not fighting against a capitalistic system, but against an aggressive Royal House." This somewhat naïve kind of reasoning was assailed by John Storey in language which, in view of his earlier moderation, surprised and even shocked. "I believe," he

now said, "in peace by negotiation. So do my three sons in the trenches. If all the men and women who *talked* patriotism had their families boiled down there would not be a decent family amongst them."² If this language was deemed offensive, the opposite view was expressed with equal disregard of feeling. Thus, the *Sydney Morning Herald* denounced the Perth resolutions as evidencing "treachery, cowardice and disloyalty!"—imputations which, in the case of men like Arthur Rae, John Storey and thousands of others, were obviously absurd.

During 1918 the recruiting figures were smaller than in 1917, but they immediately increased whenever the war situation became more serious. The complete war record of Australian enlistment showed that although Western Australia ranked highest with an enlistment of 99 in every 1000 of the population, New South Wales, the chief anti-conscription State, was second with 95 out of every 1000. Victoria's figure was only 77 per 1000. These figures strongly support the conclusion that vital errors as to available manpower were made by the conscriptionists whose demands in 1916 and 1917 were so insatiable. Comparison with the figures of other countries indicates that Australian resources had been tapped to what was the practical maximum point. Moreover, the people of Australia had been forced to assume financial responsibilities of almost overwhelming weight.

In spite of the verdict of the two referenda the great war efforts which had been made, and the failure to adopt any fair scheme of war finance, Holman was still inclined to regard genuine criticism of war policy as the equivalent of disloyalty. Using the Perth Conference resolutions as his text, he actually proposed that New South Wales should enact special sedition legislation designed to impose upon those summarily convicted the outrageous penalty of disqualification from all public office in the political or municipal life of the State. In Australia no such proposal had been advanced by even the most reactionary Government which attained to power during the years of war. Had such a law been in force during the Boer War, Holman's public career would have terminated, because he had said quite enough to induce a magistrate, if not a jury, to convict him of sedition. His present argument in favour of the Sedition Bill was expressed almost naively: "The minority," he said, "has a right to argue, but the majority has a right to rule, and the rule of the majority must be regarded."

At this moment, Henry Boote was arguing in his important pamphlet on the I.W.W. convictions, *Guilty or Not Guilty*, that at the trial there had been an astonishing misdirection as to the law of sedition in relation to the count of seditious conspiracy on which most of the twelve men had been convicted.

Although the elasticity of the law of sedition was, and is, a feature of English law, the danger is minimized in practice by the common sense of

juries who usually accept the principle that public discussion, particularly of the more vital issues, is a public necessity in a democratic State; and that, contrary to Holman's *apologia* for his Sedition Bill, minorities are still entitled to criticize both vigorously and strongly. But during the war something in the Premier had changed. When his proposal was denounced by the Labour unions he sneered at their "anticipatory squeals", adding the reactionary argument that "nobody is under any compulsion to bring himself within the law, nobody is under any compulsion to talk at all". It is almost impossible to understand how Holman ever came to employ arguments which contradicted everything for which he had lived and fought. As it was, his Sedition Bill was too much even for the conservatives to swallow. In the Upper House it was subjected to a most effective bombardment by R. D. Meagher, and to an equally effective legal dissection by Professor Peden. In the result, Holman was on the point of throwing up the Bill altogether. But the Armistice relieved him of a decision. After that, nothing more was heard of this strange measure.

CHAPTER LIII

DECLINING PRESTIGE

THE most important Act of the 1918 session was Beeby's much-hailed amendment of the industrial arbitration system. First, this Act made certain strikes lawful, though subject to very rigid conditions and exceptions. All strikes by employees of the Government or its instrumentalities were *ipso facto* unlawful. Further, every strike in which the conditions of the industry were governed by an award, and the award had not been in existence for more than twelve months, was made unlawful. Thirdly, subject to two conditions, all other strikes were made lawful. But these conditions were (i) a majority of members of the union had to approve of the strike at a secret ballot which was to be held in a manner prescribed by regulation, it being mandatory that at least two-thirds of the members of the union should vote, and (ii) fourteen clear days' notice of the proposed strike had to be given to the Government.

It was obvious that these conditions and restrictions would make any *effective* strike punishable, because the long term of notice required was sufficient to enable the employers to organize non-union labour. The penalty for instigating an illegal strike or for refusing to assist in taking the prescribed ballot was £50 or six months' imprisonment. In spite of the curiously indirect form of the drafting of this Bill, no one really supposed that its provisions were intended to legalize strikes which might have the slightest chance of success. Indeed, except that the punishment was six months' imprisonment instead of twelve, the Act bore a strong family resemblance to Wade's Coercion Act of 1909.

In May 1918 a by-election took place in the Upper Hunter electorate, and, although Holman took an active part in the campaign, the Nationalist majority was reduced from 777 to 278. Holman expressed himself as "satisfied", but John Storey, not unnaturally, commented upon Labour's advance since Holman's khaki election of 1917. Storey asserted that the Nationalist candidate had explained that, if Holman himself had remained much longer in the electorate, the Labour Party would have won. In June the *Sun* made the very curious announcement that, despite his friendship with McIntosh, Holman would not, because of possible political complications, become a director of the *Sunday Times*. In July the *Herald* again demanded that the Government's administration should be tightened up.

During the 1918 session further doubts were raised as to the guilt of the twelve I.W.W. men who had been convicted in 1916 of conspiracy to commit

arson, of seditious conspiracy and of conspiracy to pervert the course of justice. H. E. Boote, E. E. Judd of the Socialist Party, and two Labour members (Percy Brookfield and T. D. Mutch) made a determined attempt, to obtain an impartial investigation of the convictions. It was discovered by them that one Scully, who had been a police informer against the I.W.W. men, had, early in 1918, obtained a settlement of a money claim against the Government by which he had received £150 and a ticket to America. Before his departure, Scully had made a written statement which detracted considerably from the evidence which he had given at the I.W.W. trial, and which suggested that certain police officers had "worked up" the case in a manner indicative of a frame up. Holman could not let the matter remain unprobed, and Mr Justice P. W. Street was appointed as a Royal Commissioner. But the scope of the commission extended only to the specific charges against the police, the ultimate question of guilt or innocence not being included. However, the Royal Commissioner saw fit to add to his report a statement that at the inquiry no fresh facts had been elicited which raised any doubt as to the guilt of the convicted men. This statement invited some critical observations, because, although the commissioner elicited no "fresh fact" in the shape of direct evidence of guilt or innocence (and its scope deliberately excluded such evidence), "fresh" doubts had been raised as to the credibility of vital witnesses. These aspects were according to H. E. Boote, "fresh facts". He said:

The most important of those "fresh facts" is this, that the principal witnesses for the Crown, on whose evidence the 12 men were mainly convicted, have been completely discredited. So untruthful and unscrupulous did they prove themselves to be under cross-examination, that everybody who heard them experienced a sense of nausea and the Commissioner himself was moved to condemn them in his report in the most scathing manner.¹

Before the Royal Commissioner, police officers had denied on oath that they had accepted presents from two of the Crown informers who were said to be implicated in the crimes charged. But the Royal Commissioner reported that he was inclined to think that the police had deliberately given false evidence on the point. Again Boote commented:

When, in the course of the enquiry, it was disclosed that some of the police have been engaged in a shady piece of business, and have, the Commissioner is "inclined to think," in order to conceal what they have done, been guilty of "combining to swear falsely," surely that is a "fresh fact" of the most tremendous significance.

From 1918 to the general elections of 1920 there was a growing agitation to redress the miscarriage of justice which was said to have occurred in the convictions of the twelve I.W.W. men. The Royal Commission did not allay

public doubts, but, on the contrary, created some fresh ones. Boote's closely reasoned pamphlets had a wide circulation, especially among the trade unions and the Labour movement. In the general elections of 1920 John Storey, as Labour leader, promised a full inquiry into the case and subsequently, another Royal Commissioner (Mr Justice Ewing of Tasmania) was appointed to inquire specifically into the justice of the original convictions. In recommending the release of eleven out of the twelve men, the judge adopted much of the reasoning of Boote.

Between 1918 and 1920 the I.W.W. affair operated as much against the Nationalist Party as, during the 1917 elections, it had assisted them in gaining power.

As the later months of 1918 witnessed the collapse of the central powers, culminating with the Armistice of 11 November, Holman anxiously considered whether it would be advantageous to have an immediate general election. He determined to test public feeling at a by-election fixed for 23 November 1918 at Monaro, a country electorate which was held by the official Labour Party. Through Holman's intervention, P. Sullivan, a prominent Gundagai newspaper proprietor and a Catholic, was selected in the Nationalist interests. During this period Holman was under steady fire from the conservative dailies because, in view of the very high prices of meat then prevailing, the Government had under consideration a great scheme of Government control by which the middleman would be excluded from the industry. The *Evening News* said that the Government was bent on suicide, and warned the conservative members of the Nationalist Party that, having failed to observe the dictum "never bring a camel into your tent", they were now afflicted with "the virus of State socialism and the virus of underhandedness and shiftiness".² The *Daily Telegraph* also proclaimed the surrender of the ex-Liberals in Cabinet to the "defeated rump" of the Labour caucus of 1916. Holman, who too readily took upon himself the task of answering all hostile criticism, declared that the consumers were being exploited and that no sane person could possibly defend the existing disorganization in the industry. He also adopted the dangerous policy of reprisals against the Press. Thus the *Daily Telegraph* was excluded from the usual privilege of being represented at the daily announcements to pressmen of Government decisions, although the rival *Sydney Morning Herald* still retained the privilege. This was the very type of action against which Holman himself had inveighed when Henry Willis as Speaker had excluded the *Daily Telegraph* from the Press gallery of the Legislative Assembly.

The *Sun* took occasion to observe that the interdict against the *Telegraph* was by no means Holman's first experiment in playing stern schoolmaster towards the Press, and it referred to correspondence between Holman and H. R. Denison, its own managing director. It appeared that, during July

1918, the *Sun* had published a statement as to a pending Government appointment in circumstances showing or strongly suggesting that its informant was a Government official who clearly had no right to disclose the confidential information. In his letter to Demson, Holman implied that the information must have been furnished "under expectation of advantage". Denison replied by denying that his paper had acted improperly, and by adding that such tactics were, however, "not altogether unknown to a certain class of politician". Holman had continued the argument by suggesting that the *Sun* should refrain from transactions which savoured of trafficking in stolen goods.

Now, in November 1918, the *Sun* published the correspondence of July with the comment that imputations against officers of the Public Service seemed to be part of Holman's stock-in-trade. The point of this trivial dispute was not of importance. Presumably the *Sun* had obtained its "story" from someone who had broken a Government confidence. But it was equally clear that there was no evidence that corrupt means had been employed. The importance of the incident was that Holman had personally engaged in a heated controversy of no public importance and had further aggravated the bitterness of those in control of a powerful newspaper. Finally, Fuller, as deputy Premier, intervened to deprecate the apparent anxiety of the *Sun* to single out Holman for personal attack in relation to matters of policy for which the whole Cabinet, or even the whole party, was responsible.

Meanwhile, the Monaro by-election result came through. It showed that, in spite of the great personal popularity of the deceased Labour member, the new Labour candidate, John Bailey, had increased Labour's majority. The significance of the vote was emphasized by the *Daily Telegraph* in its account of the "warning from Monaro". At a conference of the Nationalist organization held shortly afterwards, Holman openly referred to the sectarian vote, and complained that the co-religionists of Sullivan had failed to support him at Monaro. Holman also said that one danger of the electoral scheme of proportional representation which many Nationalist members were sponsoring was that special groups of the community would endeavour to obtain representation and thus there would be a Catholic party. "Circumstances connected with the war," he added, "have combined to bring about a striking degree of unanimity on the part of the Catholic community."⁸ John Storey rebuked Holman's open discussion of these matters as constituting another "Machiavellian" attempt to introduce the "devil of sectarianism" into politics, the first being at Monaro.

The 1918 session ended in a storm. From the outset, the Labour Party recognized the anti-trade-union bias of Beeby's Arbitration Bill and fought it at every stage. Similarly it opposed a Gas Bill sponsored by Holman's new-found friend, P. T. Taylor, which operated to give substantial benefits to the private gas companies, contrary to the principles embodied in the legislation

which the Labour Party had enacted. In December the Labour Party greatly increased its representation in the elections for the Sydney City Council, and, simultaneously, the *Telegraph* bombarded Holman for having introduced the Bismarckian system of controlling Government news to help newspaper backers and punish newspaper critics.

Holman was thus being attacked from the Right as well as from the Left. In the Assembly, his charm of manner towards all his opponents usually created an atmosphere of personal goodwill, even in times of bitter political fighting. But on this occasion, the Labour Opposition refused to accept the usual "end of session" hospitality, as a protest against certain derogatory remarks about the Labour Party which the Premier had made in what he now candidly admitted was "a feeble attempt at humour". On the other hand, when Holman was forced to "gag" the debate on the new scheme of proportional representation (which had to be adopted or rejected before the 1919 session of the Parliament), Bavin, now a prominent Nationalist supporter (and afterwards Premier of the State) vigorously protested. Holman, instead of leaving well alone, could not resist the statement: "I greatly admire Mr Bavin and appreciate his powers, but fifty supporters like him would ruin any measure—fifty supporters like him would ruin any Government—fifty supporters like him would ruin any party." But Bavin's retort was even better. While he, in turn, greatly admired Mr Holman's extraordinary powers, he felt bound "to tell Mr Holman that if fifty supporters like myself would ruin any Government, one leader like Mr Holman, if he persists in the methods he has adopted lately, will ruin the National Government".⁴

On this note of discord the session ended. Its main achievement was the Bill finally removing all impediments in the legal status of women. The descent from the great heights of Holman's Gundagai speech of 1917 was obvious to all. He decided that to dissolve and chance an election with the Press so hostile, and in the face of the Monaro figures, was too great a risk. There were still twelve months to go. In 1913 he had completely changed the political outlook in the six months following his election as Premier. What he did then, he could surely do again.

But the deadweight of the coalition bargain of 1916 continued to impede him. As part of that arrangement, J. J. Cohen, who held a very safe conservative seat, was now appointed to a district court judgeship. In spite of Cohen's great majority, Labour determined to make a special effort at Petersham to attack the coalition bargaining as well as the Government's failure to relieve the public against the ever-rising cost of necessary commodities.

At Petersham Holman had several stormy meetings. He was repeatedly questioned as to his appointment of Cohen, and he stated that a promise of appointment had been made in November 1916; but added that it was Wade who made it and not Holman himself. This was a vital admission, and

Holman found some difficulty in obtaining a hearing at all. He was not at his best in these speeches, and he failed in his attempts to re-create the atmosphere of war when he declared that, at the Perth Conference, the Labour Party had been ready to betray Australia which, "hated a traitor and despised a coward". The new soldiers' organization promised to be active, but, instead of conciliating them, Holman contributed a special article to McIntosh's paper in which he said: "The community is beginning to swarm with cheap little organizations . . . the super is to play Othello, the star is merely to compose devastating critiques for the morning papers."

While the Petersham election resulted in the return of the National candidate, himself a returned soldier, the old Liberal majority of 2000 was reduced to nearly vanishing point. Carmichael, back from the war, though still in the House, said that: "The people are tired of the whole bundle of tricks. The Government is moribund. The show is over." Carmichael was a little premature in announcing the demise of the Government, but Holman admitted that the result was "intensely disappointing to the National party".

Holman's next move was important. Osborne, the ablest parliamentary organizer of the Labour Party, was appointed by the Government to a remunerative position on the newly-created Meat Board. John Storey again condemned the Holman technique of appointment, blaming, not Osborne, but the man "who held out wealth as a temptation to lure him from the path of political rectitude". This was very exaggerated criticism, but, with the general elections approaching, it was impossible to believe that the Government's selection of Osborne was entirely disinterested. Again a by-election had to be held, this time at Paddington, and Storey again showed his skill in vigorous denunciation of the Government, the entire foundation of the National coalition having been laid (he said) "in the corrupt bargain of November 1916". On this occasion the Labour candidate (O'Hara) was opposed both by a Nationalist and a soldiers' candidate, but he swept them both from the polls. O'Hara was already in the throes of a deadly consumption, and did not even live to take his seat. Yet Holman, unfortunately ignorant of the facts, said that the selection and election of O'Hara at Paddington showed "that deliberate indifference to the welfare of the Allied cause in its greatest peril is not regarded in Labour circles as any disqualification for public life". Upon O'Hara's death, this slur, however unintended, was not forgotten. When a second by-election had to be held at Paddington, Holman wisely refrained from nominating a Nationalist Candidate against the selected Labourite.

On the eve of the last session of the Assembly, Holman's personal "unpopularity" was so often referred to by the newspapers that the fact was to some extent taken for granted. Such was the effect of continuous propaganda.

Realizing the prejudicial character of the newspaper criticism, the Nationalist organization made an effort to rally its Press. On 6 June even Bavin declared that the Nationalist Party had only one available leader—Holman. He also deprecated the suggestion that the coalition was intended to be only “for the duration” of the war. Fuller, ever loyal to his friends, made an impressive speech, describing Holman as one of the brainiest men in Australia and, above all, “one who has run absolutely straight and honest”.

Holman determined that the rot could be stopped only by drastic measures. The first requisite was a powerful organization well armed with the financial sinews of war. The necessary financial help could be obtained only from wealthy business and commercial circles. The Sydney Press was becoming more and more difficult. As yet no powerful combinations or monopolies modulated the voices of the newspapers into a controlled harmony, and personal factors and proprietors’ whims still played a large part in all questions of political policy. With Holman so friendly with McIntosh, the owner of one Sunday paper, it was very difficult to expect adulation from the rival Sunday paper which was free from McIntosh’s control.

In his difficulties, Holman again turned for advice to McIntosh and P. T. Taylor, M.L.C., the two “honest brokers” of the coalition bargain. Taylor’s close connexion with a number of powerful industrial and financial concerns made his help invaluable. A small luncheon party was arranged, and it was decided that Sir Owen Cox, so prominent in shipping circles that, during the war, he was appointed a special Commonwealth officer in control of shipping—a virtual dictator—would be an ideal person to assume the leadership of a new financial group for the purpose of saving the State and helping the Nationalist Party. In May 1919 Cox suggested to Holman the formation of a consultative council, which should “act as a go-between or medium of communication between the National Government and the interests represented at the luncheon”.⁵

The question of Press criticism of the Government was of supreme urgency. Cox wrote that this difficulty could be overcome by direct methods, without over-much beating about the bush:

For instance, interests which I refer to, and which were represented at the luncheon today, spend vast sums of money on advertising, and if newspapers are going to be wholly antagonistic to their representatives in Parliament why should not those interests through their committee say “We will only spend our money on newspapers where we get reasonable consideration shown to the party in Parliament who represent us.”

But, as if this was not sufficiently explicit, Cox proceeded:

In addition to the editorial staff, the ones you want to approach to squelch these attacks are the Advertising Managers; if a substantial body of advertisers

say plainly to one of the gentlemen: "Unless your paper behaves itself fairly and reasonably, our advertisements will go to newspapers that do."

Greatly impressed, Holman wrote to a large number of leading businessmen urging "closer co-operation", having in view "the political circumstances of the moment". The scheme proposed was one by which a sum of £80,000 was to be raised for the Nationalist organization every three years, £25,000 for each State election, £25,000 for each Federal election, and £10,000 per year for general expenses. If this money could be raised, and if the Press could be silenced, or at any rate silent, as a result of financial pressure, Press organization of "public opinion" would soon take its normal course—that of flowing "through the *Right* channels".

For the complete success of this bold, not to say audacious, scheme, a united front amongst ministers was most essential, especially as E. P. Simpson had not as yet been conciliated. But, at a critical moment, a minister resigned from the Cabinet. It was Beeby again. Having successfully protested against the form of the wheat silo contract, he appeared to have become quite reconciled to Holman. Indeed, he became so reconciled that the Farmers' and Settlers' organization had announced that he was no longer to be regarded as the leader of the farmers' or Progressive or Country Party. Then, towards the end of the 1918 session, Beeby went abroad and remained absent for seven months. During his absence, Holman and Ashford themselves sought a better understanding with the Progressives and Holman felt himself entitled to announce publicly that the president of the Farmers' and Settlers' organization (Trethowan) had been most cordial. Holman suggested that perhaps the misunderstandings had been caused—quite innocently of course—by Beeby, who had failed to forward to the Nationalist organization a proposal to give representation upon it to the Farmers' and Settlers' body. But it seemed rather too late for much good to be done before the general elections of 1920; moreover the rank and file of the farmers seemed opposed to closer unity with the Nationalists, a feeling which was not entirely removed when Hoskins, the Nationalist whip in Parliament, described their organization as "a mob of disgruntled wire-whiskered bushies".

Beeby had returned to New South Wales from the United States on 9 June 1919. Four days later, Trethowan, M.L.C., announced that at the next elections the farmers would fight alone under the title of Progressives. Early in July Beeby answered critics of the Progressive group by pointing out that, under proportional representation, the electors would be practically independent of party politics, and could choose any supporter of any group. The returned minister attended four Cabinet meetings and then he resigned, protesting against another administrative action of the Holman Government, to which special reference is essential.

On 20 February 1919, during Beeby's absence abroad, the Government had sold to one Georgeson, three million bushels of 1916-17 wheat, part of the State wheat pool, at a price averaging 4s. 4½d. per bushel f.o.b. Sydney. Curiously enough, the quality of the 1916-17 wheat had recently been a subject of public controversy, the *Sun* having alleged that mill employees would not handle it owing to its putrid condition having caused ringworm, to its being "infested with mice" and to its "unbearable stench". Holman had answered this attack by a newspaper article—published in the *Sunday Times*. He chided the *Sun* for having given "as fair a display of imbecility as was necessary for one week".⁶ To show that the *Sun* was inaccurate, the Government directed an experiment to be made. Flour was gristed, twenty-five per cent being derived from the 1916-17 wheat. Samples of the bread made from such flour were tested and made available to the public. The published certificate was to the effect that the use of the 1916-17 wheat—in the prescribed degree of dilution—was in all respects satisfactory. Thus the Government had been asserting that the 1916-17 wheat was certainly not as deserving of condemnation as the *Sun* had suggested. However, after Beeby's attack, a somewhat inconsistent attitude was adopted because the Government was now intent upon showing that, as seller, it had obtained a very reasonable price for what was, after all, a very inferior product.

Beeby's first ground of complaint was that Grahame, the Minister for Agriculture, had signed the contract for the sale of the three million bushels without any public competition, and without submitting the contract to the State Wheat Board or to the Federal Wheat Board or to the State Cabinet. He made it quite clear that he was not imputing any personal impropriety on Grahame's part, although he suggested that, in his own interests, Grahame should demand a Royal Commission of Inquiry. Beeby added to his letter of resignation references to:

1. A payment by the Government of a sum of about £13,000 to John Brown the coal owner as damages supposedly sustained by Brown consequent upon his having opened and worked his coal mines during the 1917 strike, pursuant to an agreement.
2. The payment to Metcalf and Company, Engineers, of one and a quarter per cent commission on the total price of the construction of the terminal wheat elevator, merely for engineering advice.
3. The Government's action in having obtained for John Brown a valuable contract to supply coal to the Victorian government.

Grahame's reply was that the 1916-17 wheat was very poor at best, and that, although the price of Victorian 1916-17 wheat had since advanced to a higher price, the Georgeson contract price was not an unreasonable figure. Grahame contended also that, as the contract was for the sale of the wheat for export, it was outside the jurisdiction of the Commonwealth Wheat Board.

Holman's first comment was to deplore Beeby's precipitancy. He added the curious argument that it was ridiculous for Beeby to contend that his staying in Cabinet would involve his endorsing the Georgeson contract. Holman's point was that there was a special provision for cancellation contained in the contract itself. He said that the payment to John Brown was in pursuance of an undertaking to indemnify, and a liability to pay was declared to exist, not only by the Crown Law Office, but also by Adrian Knox, K.C. Holman resented Beeby's reference to a "drifting" Cabinet, inquiring: "How does Mr Beeby know this when he has only been back in Sydney for one month?" Beeby's answer was a mere assertion that, under Holman's methods, efficient government was impossible.

Holman had no alternative but to appoint Mr Justice Pring as Royal Commissioner. Both the *Herald* and the *Telegraph* attacked Beeby, the former emphasizing that, though included in only two ministries, he had already resigned three times. It seemed at first as though the daily Press was almost ready for mobilization in Holman's favour, especially as, at the very moment of Beeby's resignation, the Premier was announcing a bold developmental policy, conceding that, owing to the war, many urgent works had been postponed. As taxation had not been increased and new loans could not be raised by the State, many schemes in connexion with works, roads and railways had been "deliberately held up". Now, however, the Government was free to embark upon active reconstruction and carry out health, housing and anti-profiteering measures. Holman had also promised a Whitley Council scheme for conciliation in industry, a scheme of unemployment insurance, and vigorous repression of hostile monopolies. The *Daily Telegraph* seemed to have been conciliated as well as silenced, actually praising Holman for his "bold and well considered policy of social reconstruction".

But no success had been obtained in the attempt to conciliate the evening *Sun*. On 9 August it revealed the inner story of the consultative council organization, adding that the principal executive of the old "inner council" had "grown tired of the eccentricities and escapades of the Premier and his immediate henchmen". It said that "very modestly and quietly, invitations have been issued by a well-known figure in the shipping world, but the old executive will not accept". The *Sun's* reference to Owen Cox and to E. P. Simpson's old position of supremacy was unmistakable. It next published at length a speech of Ley, a Nationalist member who was in open rebellion against Holman's leadership. Ley asserted that, in the previous May, a round-robin had been signed by fifteen Nationalists requesting Holman to make way for some other leader. "Holmanism and Nationalism," said Ley in the *Sun*, "are not the same thing. Holmanism is opportunism, Nationalism spells social service."

The report of the Royal Commissioner into the circumstances of the making of the Georgeson contract was published on 18 August. On the whole, the actual findings of Pring J. were not unfavourable to Grahame. He apparently overlooked or understated the disclosure that Grahame or some official of his department knew, from a cable delivered on 3 February, that the rice crop in Asia had failed; whereas Drummond, the manager of the State wheat office, did not get this news until 20 February—the very day on which Grahame signed the contract of sale with Georgeson. Who was Georgeson? According to Pring J.:

All that Mr Grahame or Mr Drummond knew about Mr Georgeson was that he had lately come into the wheat market as a buyer and that he had bought and paid for small lots to the extent of £27,000. They made no inquiry as to his financial standing, but were content to accept him as a buyer of an enormous quantity of wheat on a contract extending over 10 months.⁷

Pring J. also reported:

No security by way of deposit or otherwise to ensure the performance of his contract by Mr Georgeson was stipulated for. I think this was a grave mistake, and indicated a want of proper caution on the part of the Minister and Mr Drummond.

CHAPTER LIV

WHEAT SCANDALS

IN his report, the Royal Commissioner, Mr Justice Pring, seemed to have no suspicion of anything corrupt behind the Georgeson transaction, and, in any case, the terms of his commission were not wide enough to allow him to make any investigation of the question of corruption. When Parliament reassembled, all other Government business receded into the background as the wheat contract was debated. The newspaper comment on the first report was not favourable to Beeby, and the *Sydney Morning Herald* seized on the fact that, on the broad issue of the contract, the finding of the commissioner was that the Government "acted for the best". But John Storey at once demanded a fuller investigation, and in this demand Beeby joined. Beeby actually stated that he would resign if, after a fuller investigation, the commissioner reported against him. He then launched a most serious attack upon the Government and plainly raised the issue of good faith. He said, "The moment the proposal was made to let Georgeson come in, in this big gamble to buy 70,000 tons of wheat, absolute secrecy was observed, and the Federal Wheat Board was not allowed to know anything about the transaction at all."

Then Beeby referred to the facts which almost every one in the city was whispering, and which, though capable of being inferred from the Pring report, were not mentioned in it:

Behind the whole of these transactions lurked a man named John Talbot. A few years ago this man Talbot was worth nothing; today he is a wealthy man. He is Georgeson's partner. J. J. Talbot boasts that he has made his money in the past by acting as a go-between between Ministers and from others outside. Talbot is a big shareholder in the flour mills, and is also a full partner with Georgeson in this business. And it is not only in this matter, but in other matters, and particularly matters relating to wheat, that this man does get access to Ministers.

MR WRIGHT: He has done it ever since I have been in the House.

MR BEEBY: When this is known, and it is clear that some Ministers know this man's reputation, and he can go on getting access to Ministers, I say that any man has the right to enter his protest, and to say "I am sick of the whole business."¹

Beeby then gave particulars which, if true, showed heavy payments from Georgeson's account, always in the form of bank notes, and also a number of purchases by Georgeson of negotiable bonds. Obviously Beeby had been

armed with information from powerful financial quarters. Nor was he content with imputing dishonesty in connexion with the Georgeson contract. Beeby concluded as follows:

There are men who have a pull on certain Ministers. I am sick of it; I have done with it. It is time that we should face these facts and get rid of the influences which again and again have kept this Government under a cloud of suspicion.

MR GRAHAME: Hear, hear!

MR BEEBY: The Premier knows that he signed the contract with Teasdale-Smith under the pressure of one of the men to whom I have referred. He knows he went into that contract with Mr Hugh McIntosh driving him every day. If the hon. member wants it he can have it. You will find in the papers that is so. You will find outside of that that there is this sort of influence existing.

The open linking up of McIntosh's name with that of the successful terminal elevator contractor produced a great sensation. Holman rose at once to protest against a "shameful effort" to reveal Cabinet confidences. Holman said that, to some extent, the attack had been inspired by E. P. Simpson and the *Sun*, Simpson having already placed before the Government the grievances of millers who were incensed at Georgeson's successful stroke of business. Holman asserted that Simpson had been a party to an attempt to squeeze the Government on a matter of policy. Although Simpson appeared satisfied that the transactions were *bona fide*, "To my amazement," said Holman, "there began two or three days later in the *Sun* a series of attacks upon the Government," and it was known that Simpson exercised considerable influence over the editorial columns of the paper mentioned. "Although," said Holman, "I believe members are tired of these enquiries, I propose to go on to the bitter end."²

E. P. Simpson answered Holman at once. He admitted that there had been a discussion with Holman on certain administrative acts of the Government, but alleged that Holman had "agreed to fall in with the views of the Committee" of which he (Simpson) was a member. Simpson also said that the committee was concerned solely because of the Government's "many acts of maladministration", and they had been promised by Holman that he would secure Grahame's retirement from the Cabinet.

This crisis made it very difficult for Holman to devote concentrated attention to the legislative programme which had become so vital to the Government's electoral success. He appointed a second Royal Commission to continue the investigations and made available to Mr Justice Pring two assessors, including Trethowan. For a moment, the Farmers' and Settlers' organization seemed to have turned against Beeby, and he and Trethowan exchanged controversial statements on one or two aspects of the Government's wheat administration.

During the New South Wales crisis, Hughes returned to Australia with his copy of the futile Versailles treaty. He met with many enthusiastic receptions, especially from the soldiers, some of whom re-christened him "the Little Digger". In the circumstances, a snap Federal election seemed to be indicated. Hughes was also preparing the ground for another of his proposals to alter the Federal Constitution so as to arm the Commonwealth with constitutional authority to suppress the extortions of the profiteers. The situation of 1917 was now almost reversed. In 1917 Holman boldly decided to dissolve before Hughes. Now Holman could not possibly dissolve while Beeby's damaging charges of maladministration were undisposed of. He had to hang on and hope for the best.

On 18 October 1919, when Holman's anxieties seemed to have reached a maximal point, the Board of Trade, acting in pursuance of Beeby's new Arbitration Act, declared the new adult living wage at £3 17s. 6d. a week, an increase of no less than 17s. 6d. over the existing wage. This spectacular increase was more than warranted by the increased cost of living. But Holman rushed in to complain that the additional financial obligation involved would place an immediate burden of £14,000,000 per annum on the industries of New South Wales, many of which would be forced to close down. Holman put forward an alternative scheme based on the principle of family endowment. The structural basis of the declared living wage was the requirements of a man, his wife and two children. Holman deduced that, as a consequence a man and wife without any children would enjoy a higher standard than was intended, whereas a family with more than two children would be compelled to live on a lower standard. He proposed a scheme of distributing the benefit and burden of the additional wage obligation so that the basic wage should be based on the requirements of a man and wife only, and the Government would pay to employees with children an additional sum of so many shillings per child. The necessary fund would be fed by contributions from employers who would, however, pay directly to the employee only the basic wage appropriate to a family without children. Under the proposed scheme, Holman estimated that he would decrease the burden cast on employers by the 17s. 6d. per week increase from £14,000,000 to £6,500,000 per annum.

Clearly Holman was hustled into making a proposal which, though logically impressive, was ill-timed and unjust. It looked like a deliberate attempt to cheat the employees of increased wages, for on Holman's own figures, the employers would be better off by £7,500,000 if his scheme went through. By precisely the same amount, therefore, the employees as a body would be worse off.

In June 1919 the "moderates" had captured control of the annual Labour Conference, and although a small minority "breakaway" resulted, it was

around the official Labour Party under John Storey that the workers' hopes were now centring. The international Labour organization had been set up upon the basis of solemn declarations promising just conditions of labour. This dangled hopes of a gradual bettering of standards in Australia, where prices had risen so high that the workers were fairly entitled to a wage increase which should, to some extent at least, make up for a wage which, for two years admittedly, had been quite inadequate.

Holman's Child Maintenance Bill had a stormy passage. Throughout the period, the cry of profiteering grew so strong that, in October, Hughes shrewdly announced the appointment of a Commonwealth-wide commission of inquiry. Bavin attacked Holman's Bill on the ground that it would throw the whole cost of the maintenance of children on to the industries, instead of on to the general wealth of the State. Beeby attacked it on the ground that the Industrial Arbitration Act (and it was his very own) intended that the living wage should be indivisible and irreducible. Despite great Labour opposition, Holman got his Bill through the Assembly. But the Upper House, sensitive to the Government's apparent decline, raised objection after objection. A hostile amendment was carried by 18 to 14. Holman declared that the industries of the State were so endangered that Upper House opposition would have to be surmounted. But the House ignored the threat, and on 28 November, it persisted in its objections. The Bill was dropped, Holman abandoning his argument of overwhelming urgency almost as quickly as he had embraced it. The increased wage was made applicable to all industries governed by State awards; it was duly paid; and the industries did not collapse. There was, on the contrary, an immediate appearance of increased prosperity, and the matter was used against Holman to his political discredit.

Meanwhile, considerable excitement had been aroused by the proceedings of the second Royal Commission on wheat, which was authorized to inquire not only into the circumstances of the Georgeson contract, but also into the general operations of the State Wheat Board. On 8 October, during the examination and cross-examination of a certain witness, a somewhat general imputation of corrupt conduct was made against Grahame. The alleged go-between, Talbot, was shown to have extensive dealings in notes, and he was admittedly a partner of Georgeson in the purchase of the State's 1916-17 wheat. Georgeson failed to appear as a witness, medical evidence being given of his unfitness to testify.

Holman was thus placed in an invidious position. He announced that, although no precise or specific allegation of corruption had been made, he felt that, pending Georgeson's restoration to health, it was impossible for Grahame to be cleared of the general imputation made against his honesty. Holman allowed the Press to publish a letter to him from Grahame which stated:

In view of the unexpected development which has occurred . . . I desire to repeat again my former offer to place myself and my resignation unreservedly in your hands . . . my retention of office . . . would be a cause of intense embarrassment to yourself, to the Ministry, and to the party.

Every word of this letter from Grahame bore the impress of Holman's style; and, in point of fact, Grahame's letter had been drafted by Holman. For, on 14 October, Holman had written to Grahame stating, *inter alia*:

We had a talk to the Judge today, the results of which I should like to communicate to you personally. They were by no means unsatisfactory. If you and I, after talking it over, decide on a certain course, it would be expressed in a letter from yourself on the lines of that attached. Will you consider this on your way in, and I will tell you all about the situation.³

Holman announced to the Press that, until the proceedings of the Royal Commission concluded, Grahame would be treated by the Government as being absent from duty, and no official salary would be drawn by him. This mode of procedure placed Grahame in an impossible position. It was proved before the Royal Commission that, at times, he had been in possession of very large sums of money in notes—a fact which he endeavoured to explain by reason of frequenting racecourses where he had often transacted heavy betting on behalf of John Brown, who, in addition to being a coal magnate, was a prominent owner of racehorses. This close association with Brown drew pointed attention to Beeby's complaint that Brown had been unduly favoured by the Government. In short, the evidence of Talbot, the absence of Georgeson and the explanation of Grahame all suggested a *prima facie* case requiring the clearest exculpatory evidence. Yet, in Georgeson's absence, the judge felt that he was unable to proceed to finality, so that no finding against Grahame or Talbot or Georgeson was ever pronounced.

Further light on Talbot's alleged *modus operandi* was thrown by a Royal Commission which was appointed in 1920 to investigate the question whether he had paid a Labour member of Parliament a large sum of money for the purpose of inducing the Labour Party (when elected) to terminate the Royal Commission on the Georgeson-Grahame affair. It was proved that, prior to the 1920 elections, Talbot had paid £500 to the Labour member, although, at the time, Labour candidates throughout the State were attacking Holman and Grahame over the wheat contract and freely using the names of Georgeson and Talbot. Mr Justice Pring was unable to find positively whether the £500 had been given for the specific purpose of "closing down the Wheat Commission". Certainly such a course would have been very pleasing both to Georgeson and to Talbot. In the course of his report Pring J. said:

As to Mr Talbot, I had seen enough of him as a witness in the Wheat Commission to satisfy me that, to say the least, he was quite unreliable, and

that he would not hesitate to descend to corrupt practices to gain his own ends. . . . Apparently until recently, Mr Talbot had been a comparatively poor man; but he is now in much better circumstances.⁴

On the very day when Grahame's changed ministerial status was announced by Holman, a witness before the Royal Commission stated that, during the year 1914, at a time when the Holman Labour Government was considering the renewal of a suburban racecourse lease, a large gift of money had reached the hands of Grahame from a source which was interested in such renewal. Holman was immediately interposed as a witness. He explained that a gift to the Labour Party had been offered through Grahame, their Government whip, who had produced £1000 in banknotes. Holman had referred the offer to Cabinet which decided that the gift should be refused. Arthur Griffith was also called as a witness, but he said that, when the £1000 was produced by Grahame, Holman said: "Why not accept it, the elections are coming round?" On this point, there was a conflict of recollection, but it was clear that the cash offer was turned down and the money returned. This matter had so little relevance either to the Wheat Commission inquiry or even to Grahame's credit as a witness that its introduction strongly suggested that very sinister interests were using the occasion of the inquiry for the purpose of defaming and humiliating Holman personally. Meanwhile, John Storey was pressing for the completion of the Georgeson branch of the Commissioner's inquiry. When Holman acknowledged the patient and even generous attitude adopted by Assembly members, Storey foreshadowed an election cry when he bluntly said: "I do not believe these medical men. That is the long and short of it."

By now, Hughes had commenced a whirlwind Federal campaign, the election date having been fixed for 13 December 1919. The Labour party had induced T. J. Ryan to resign the premiership of Queensland and to assist Tudor in the organization of the Federal campaign. Ryan and Tudor sought to make war and post-war profiteering the issue.

On the issue of profiteering, Hughes had the excellent excuse of the Commonwealth's constitutional incapacity to legislate on the subject. Further, he sought popular acceptance of constitutional alterations which would enable the Commonwealth to deal with profiteering and allied subjects for a limited period, after which, a constitutional convention was to be called to re-draft the whole Constitution. In a difficult fight, Hughes's popularity with the soldiers plus his great finesse just carried him through. Carmichael's argument was that the soldiers should support Hughes federally, but not Holman in New South Wales, for the latter had "brought the State's traditions down to the lowest ebb". Holman's bitter reply was a *tu quoque*.⁵ When the Federal figures were posted, it was seen that, although Hughes

was returned to power, the Labour vote had greatly increased, and that in New South Wales Labour had gained four important rural seats, and had also, as a result of the preferences of the farmers' candidate, secured one of the three Senate seats. Holman's comment was that the Federal Country Party had done badly. He underestimated its potency. There had come into being a new and powerful group which was destined to exert a very considerable influence upon the future of the Commonwealth. More to the point was the comment of Carruthers that "there is no disguising the fact that the Nationalist Government is not popular in New South Wales". Carruthers, ever the political opportunist, seemed to sense that something to his advantage might soon turn up.

Despite the hostility of the Federal Country Party, Hughes was able to remain Prime Minister until 1923 when his protégé, Mr Bruce, coalesced with Dr Earle Page who had sacrificed a great career as surgeon to lead the Country Party. In 1919 Hughes's proposals to extend the legislative powers of the Commonwealth attracted widespread support but were ultimately rejected by the people.

CHAPTER LV

EVERYTHING LOST

Two other matters were interfering with Holman's chances of success at the general elections which were to be held early in 1920. Late in October 1919 the *Sun* featured a further *putsch* by McIntosh in connexion with his British Empire League. Sir William McMillan asserted that, since McIntosh had become president, no information could be obtained as to whether the league was alive or dead, and he therefore called a meeting of former members to consider what should be done. But on the night appointed there was a great roll-up of the friends and supporters of McIntosh. A number of enthusiastic Nationalist "debaters" had been summoned by telegram to attend the central office of the party on the evening of the McMillan meeting and had then been detailed off to attend the meeting and support McIntosh; Holman's name had been used as the authority for such action. There was something resembling a physical struggle for the possession of the actual chair. The caretaker protested at the lack of decorum. The police arrived. McIntosh explained the situation. The police retired. Sir William McMillan retired. And the meeting wound up by expressing entire confidence in McIntosh. As the "story" was published by the *Sun* it was deadly stuff, well calculated to injure Holman's prestige as Premier of the State.

The second affair was of greater public importance. Wade resigned the position of Agent-General. As Beeby's Board of Trade legislation had come home to roost in the crisis leading to the Children's Maintenance Bill, so now did the coalition bargain of 1916. Mr Justice Sly had to leave the Bench in December under the Judges' Retirement Act. It was announced that Wade was to be elevated to the vacancy. The coincidence was more than unfortunate. "It will," said the *Daily Telegraph*, "give an opportunity to the enemies (and friends) to blaspheme." It added: "At this stage it is not the unexpected that happens, it is the thing that Ministers declare will not happen."¹ John Storey alleged that it was simply in accordance with the old bargain of 1916, although Wade's long absence from his professional practice disintitiled him to occupy the judicial position, Arthur Griffith said that the appointment of Wade to the Supreme Court was an essential portion of the "honourable understanding" which had been arrived at in 1916. As Wade took his seat on the Supreme Court just prior to the elections of 1920, the public could hardly overlook the allegations of the Opposition.

Holman still thought that by a great effort his political position might be saved. Of the daily newspapers, only the *Sun* seemed utterly opposed to him.

A close analysis of the Federal figures showed that it was wrong to abandon all hope of victory. He made a spectacular effort in Parliament. He passed an Act to help those of the lower income groups to purchase homes, another giving preference of employment to returned servicemen; additional benefits and privileges were conferred upon officers of the Public Service. A Hydro Electric Development Act sanctioned construction of power stations and storage reservoirs, and drastic measures were approved for the prevention of profiteering.

Early in 1920, the Pring Report on the general operations of the Wheat Board stated that although there had been much initial confusion and muddle, the management had greatly improved during 1919. It was also reported that certain persons had conspired to defraud the Government in a matter quite disconnected from the Grahame-Georges contract. As to the latter, it was explained that owing to Georgeson's loss of memory no report could be made. None the less, Grahame's position remained untenable, and on 14 January his final resignation was accepted. Holman, with the chivalry which was so typical of his public life, said that Grahame's colleagues had no doubt of his integrity but that, unfortunately, the suspicions aroused "cannot be allayed by legal proof for many months, perhaps never". By most of *his* friends and admirers, Holman was greatly blamed for having stuck to Grahame for so long. No other Australian politician would have done so. In truth, at the age of forty-eight, every man is the slave of his own character. Whatever his faults, no more sympathetic or chivalrous politician than Holman ever lived.

Later in January 1920 rumours of further dissension among his followers induced Holman to summon a special meeting of the Nationalist parliamentary party. Holman explained to the members that they now had a full opportunity of dealing with him; but he assured them that, "The tittle tattle, the rumours of my fruit ranches in California and my mansions in the mountains should be disregarded and they will vanish into thin air before election day". He added: "When we are confronted with slander, the thing to do is not to yield to it but to face it, canvass it, prove the slanderers to be liars, which is generally an easy task."² By a majority of 38 to 2 the party declared its confidence in Holman and his leadership. As the cartoonist put it, Holman was "still going strong".

As a result of this decision, Bavin, who was one of the small minority, resigned from the party. His farewell statement was that:

If Mr Holman is half as successful in persuading electors who disbelieve in him now to believe in him by election time, as he was in persuading members of the Nationalist party who distrusted him absolutely today at 2 p.m. to trust him absolutely at 4 p.m., the Nationalist party is in for a great triumph.

Only Bavin and one other member had failed to succumb to the spell of the magician. Holman's blood was up. His party had endorsed him, and he was determined to make a fight for electoral victory. He brushed Bavin aside with the remark that it would be the next party he joined that would have to face the difficulties caused by his "eccentric conception of party loyalty". With characteristic pertinacity, Bavin harked back to the magical name of Hugh D. McIntosh.

Concentrating his attention on his party's success, Holman was far too inclined to neglect the immediate requirements of his own constituency. As the elections were to be held under the proportional system of voting, multiple seats had been constituted, the State having been divided into five-member and three-member electorates; each elector had to indicate on the ballot paper his order of preference, the "number one" vote being of the maximum value. A three-member seat called "Cootamundra" was duly carved out. In area it was about three times as great as Holman's single seat of the same name, and it included such centres as Cowra, Canowindra, Young and portion of Holman's old electorate of Grenfell. In order to be reasonably assured of election, Holman had to poll first or contingent preferences which would aggregate more than a quarter of the total votes. At first glance, this seemed very easy of achievement. But the Country Party group was organizing Cootamundra independently of the Nationalist, and it chose three candidates each of whom was popular in at least some portion of the greatly enlarged electorate. By this means the effective total non-Labour vote was being gradually "mopped up". Holman greatly underrated his danger and most unselfishly, but very imprudently, he planned an elaborate speaking campaign to assist his followers from one end of the State to the other; but he gave very inadequate attention to Cootamundra itself. Such unusual chivalry was appreciated by many individual Nationalists, and the ex-Liberal members of the Cabinet displayed great resentment as personal attacks on Holman were continued from conservative quarters. *They* knew that Holman had not been implicated in any corrupt transactions. But the long-continued Press vilification of "Holmanism" had already done much harm, and John Storey showed great astuteness in concentrating his main attacks upon the administrative record of the Government—"Georgeson scandal", "wheat scandal" and "silo scandal" being invaluable slogan words. Storey happened to have as his secretary one of Australia's greatest scholars—Gordon Childe—and the concentrated pungency of Storey's daily comments on the Government strongly suggested the brain of the classical scholar.

At the very opening of the electoral campaign Holman caused his friend D. R. Hall to be appointed Agent-General in succession to Wade. While little personal objection could be raised, this last echo of the Wade-Holman bargain of 1916 made many previous Nationalist appointments subject to renewed



HOLMAN'S EXIT POSTPONED INDEFINITELY

"Put it away again; not wanted this time."

The *Sydney Evening News* suggests Holman's skill in eluding his political critics.

Drawing by Lionel Lindsay.

attacks. Storey's speeches contrasted the "promisor-general" of the Gundagai Nationalist speech of 1917 with Holman's present admission that: "We have resisted all pressure to deal with the problems of peace." And Storey returned again and again to the "honest brokers" of the 1916 bargain, to McIntosh "the friend of Teasdale-Smith, the wheat elevator contractor", and to P. T. Taylor "whose Gas Company, like John Brown, was allowed a remission of £14,000 in connexion with the 1917 strike, and who had recently been allowed to add 5d. to the price of gas".

Beeby's public attacks on Holman were a considerable help to the Labour Party. Storey continually quoted Beeby's references to McIntosh's part in the Teasdale-Smith contract and asserted that, admittedly, McIntosh was either the partner of Smith, or his agent. Storey also said that, during the pendency of the Wheat Commission, Grahame had thanked Labour for its generosity, for its fairness to a man who had his back to the wall; therefore, argued Storey, "It is Mr Holman's own party and his own friends and newspapers who have caused him all the mischief." Holman at once conceded that the attacks against the purity of his administration did not originate with the Labour movement. "I know perfectly well," he said, "where they originated. The radical point is about as far removed from the Labour Party as could be imagined." Even Beeby seemed to feel a pang at the false position in which he had placed Holman, who (he said) was a lovable man, most difficult to quarrel with, but with a capacity to make a man believe that black was white; yet he (Beeby) wanted to make it absolutely clear that he had not made one charge of corruption against the Premier. His charge was that, through negligent administration, the party had been dragged in the mud over the Teasdale-Smith contract, the John Brown agreement and the Georgeson affair.

During the campaign, Holman was much heckled about his friendship with McIntosh. At Wagga, on 4 March, he was asked: "Did McIntosh see the Minister about the Teasdale-Smith affair?" Holman answered: "Yes, he did. Why shouldn't he? Men who have contracts to carry out for the Government have seen us about these contracts before and since." Holman added that McIntosh was not a "partner" of Teasdale-Smith in the elevator contract, but a "partner" in an entirely different contract. To Wagga, which was in Beeby's electorate, Holman hastened, in answer to Beeby's challenge. There he denounced Beeby as a "muckraker" and asked him to answer stated questions as to his (Beeby's) share of responsibility for the silo contract, the John Brown payment, the Metcalf contract, and the Grahame-Georgeson transaction.

The truth was that, in respect of all these matters, Holman was open to severe criticism only if there had been corruption, dishonesty or negligence, in which he was involved personally, or which he should reasonably have

suspected and either prevented or exposed. Now in every instance, Holman had relied upon responsible ministers in whom he had placed the utmost confidence. The real issue was whether he was justified in supporting his ministers at a time when there were serious grounds for inferring dishonesty and when some cases of proved negligence had been established. On that footing, Holman might be deemed blameworthy for having allowed personal loyalty to colleagues to outweigh his duty to protect the interests of the State. Naturally, in the height of a violent campaign, the issues were never so fully analysed or clarified. Beeby kept hammering away at McIntosh's capacity to influence ministers, Talbot's sudden accession to wealth, and the associations of Grahame with John Brown. Holman had to visit Wagga a second time to answer Beeby's "reckless slanders". Then came Beeby's final challenge. Three questions should be submitted to a Supreme Court judge. One of the questions was whether he was "justified" in threatening to resign from the Government in order to secure the alteration of the Teasdale-Smith contract. How a judge could possibly have answered such a question Beeby did not even condescend to explain. From these time-wasting incursions into Beeby's territory, Holman had to hurry back to metropolitan constituencies where some Nationalists were making heavy weather of it.

Holman attacked Henry Boote's agitation for the release of the I.W.W. men, and Storey's undertaking to conduct a further investigation into their guilt:

The trail of murder and incendiarism was all over the I.W.W. movement in America, and some of its leaders regarded murder merely as a joke. Murder, conspiracy and incendiarism were the innocent amusements, the little playful habits of some of the leaders in Sydney; and now we have certain people in the hall tonight who applaud their ways! Must the gaol doors be thrown open for the release of these men simply because there are some political ties between them and the apostles of direct action? If they are to be released, why should every criminal now in gaol not be let loose on society? I say, and say emphatically, that men who make their release a political issue in this campaign, are utterly unfitted to be charged with the responsibility of the constitutional government of a State such as ours.³

It was not difficult for Storey to answer this last argument; and he said that to ask for the release or reinvestigation of the I.W.W. convictions was merely doing what Holman himself had done in 1910 in demanding the release of Peter Bowling. In neither case was there sympathy with crime. The more serious the charge, the greater need was there to prevent a miscarriage of justice.

But Holman's metropolitan visit had left his Cootamundra defences wide open to his enemies, and it was soon apparent that he was in the gravest danger of defeat. Having to exceed one-fourth of the first preferences, he

polled in Cootamundra town only 360 first preference votes out of a total vote of 1559, and he was far behind both a Labour candidate and a Progressive. At Junee, his proportion was 228 out of 1278, and at Temora only 216 out of 1334. The final count of first preference votes in the electorate of Cootamundra was as follows:

McGirr (Labour)	6895
Loughlin (Labour)	6498
Holman (Nationalist)	4199
Main (Progressive)	3537
Fitzpatrick (Progressive)	1831
Brown (Progressive)	1681
Treffé (Labour)	452
D'Arcy (Nationalist)	204

The total number of votes being 25,297, the quota necessary for election (one-fourth plus one) was 6325. Therefore, each of the two leading Labour candidates was declared elected on the first count. The contest for the third and last seat immediately resolved itself into the question whether the Progressives other than Main had voted "the ticket" by extending their preferences to Main before Holman, or whether, on personal grounds, a sufficient number of preferences had "strayed" to Holman. But "the ticket" had been voted solidly, and although Holman's primary figure of 4199 slowly increased to 4747, Main had by then received not only the bulk of the Progressive preferences, but practically the whole of the small Labour surplus which was available after its aggregate vote had secured the election of both McGirr and Loughlin. Thus, after being a member of the Assembly for over twenty-one years in succession, the greatest of all its orators, probably its ablest man, had met with a staggering defeat.

For many days it remained uncertain whether Labour would obtain 44 or 45 seats in the Assembly of 90. In the end they obtained 45 seats, amusingly described by John Storey as "half a mandate". For a time everything was in confusion. Holman, most anxious that George Fuller should be given a chance of leadership, toyed with the notion that, providing the Progressives pledged their solid adherence, he might recommend the Governor to ask Fuller to assume the premiership.

There was no reply by the Progressives, and, in the end, Holman thought it better to recommend Storey as his successor, leaving it to Labour to find some Nationalist who, by taking the speakership, would follow the precedent set by Willis in 1911. Daniel Levy was persuaded to act and Storey remained Premier until the year 1921.

When his defeat at Cootamundra was certain, there came a strong sympathetic reaction in Holman's favour. The whole thing seemed incredible.

For many years he had been associated with every event of importance in the public life of New South Wales and Australia. While his party's defeat was not unexpected, there was a feeling of dismay that he would not appear in the new Parliament. Unfortunately, the proportional system had been enacted without any statutory provision for filling vacancies caused by a member's resignation or death; so that it was not possible for any Nationalist to resign his seat in Holman's favour.

All malice against him seemed to vanish after the day of his defeat. Every one recognized that, had Holman but served his own interests more faithfully, he would easily have won one of the three Cootamundra seats. Even the *Daily Telegraph* admitted that Holman's defeat should be attributed to the fact that, instead of looking after his own interests, he had been a "gallant captain", had "... organized and directed, helped and encouraged the faint-hearted and assisted the stragglers. He was the Beau Sabreur of New South Wales politics. His dash, audacity and imagination had curiously combined with an iron will, great adaptability, personal charm and kindness of heart".⁴

Holman's last appearance as Premier was at a great State dinner to General Birdwood on 6 April, where he had a magnificent reception. He said:

The Englishman never knows when he is beaten, but I have to confess that I do know that I am beaten.

A VOICE: You are only temporarily repulsed.

MR HOLMAN: At the present moment, I am down and out. I have not only lost in the recent campaign, but I have lost my political situation. I have lost not only my seat in Parliament, but also my voice, and I have also lost my character; and all that I have left is a little loose change in my pocket.

CHAPTER LVI

HOLMAN'S ACHIEVEMENTS

HOLMAN was in practical control of the executive government of New South Wales for a period of nearly ten years, first as deputy and associate leader and Attorney-General in the McGowen ministry, and second, during his tenure of the premiership itself which had exceeded the record term of Reid between 1894 and 1899. It may fairly be asserted that he changed the entire outlook of the citizens on political problems, that he was the first Australian statesman to inaugurate a planned economy for the social and material advancement of a whole State.

Holman's name should always be associated with the great developmental works which were inaugurated or greatly extended during his ministerial term. He made provision for the duplication of the trunk lines of the States railway system which involved an expenditure of £10,000,000. From this great achievement there was little or no political gain to be derived, and even its economic necessity was understood by only a few people. Taking rolling-stock, duplications and additions to lines, the expenditure in 1913 was 2.7 millions, and in 1914 3.4 millions. Having regard to the much greater purchasing power of money in 1913 than later, these figures are very significant.

In the nineties, when Holman first interested himself in the public affairs of New South Wales, a small reactionary group was advocating the sale of the railways and tramways to private capitalists; but it was laughed to scorn, partly because of the watchfulness of the Labour Party.

Holman's planned economy was not limited to railway development. He was actively concerned in the completion of the great Burrinjuck dam, which today enables irrigation to support a thriving population in the Murrumbidgee settlements. In the year before he assumed office, only £15,000 had been devoted to irrigation. During Holman's first three years of office, the amounts expended were £225,000, £556,000, and £850,000. While Holman was Premier, Australia's greatest irrigation scheme—the Murray works—was commenced. The Commonwealth and three States, New South Wales, Victoria and South Australia, came to an agreement for the construction of conservation works on the Murray and the equitable division of the waters of that river. The development of irrigation areas on both sides of the river would hardly have been possible without Holman's urge and persistence.

Holman has been wrongly accused of "wasteful" expenditure, but he was, in fact, merely restoring State assets to an efficient condition and backing essential developments—such as the duplication of the main railway lines. He

was also attacked for heaping up the debt of the State, but it was only after he left office (i.e. after 1919) that the period of reckless borrowing commenced.

But while Holman was not responsible for the disasters of the post-war depression, it is only proper to add that in one vital respect he had been seriously at fault. He failed to increase income taxation during the war period, although the great bulk of the people were then suffering tremendous hardships and anxiety at the front or at home. Holman then allowed the great wealth of New South Wales to escape the proper share of its burden. On the other hand, it was in relation to Commonwealth finance that such a policy was of even greater importance. For although a Federal income tax was introduced by the Commonwealth Labour Government, its incidence was so slight relatively that, more than any other country, Australia "financed" its war expenditure by handing over the major responsibilities for its payment to the future generations. However, Holman, on becoming Nationalist leader, could not have increased the income tax to any great extent without losing office. Yet it was the *Sydney Morning Herald* which then warned the political leaders that direct taxation was the best foundation of war finance; that famous journal's then editor, T. W. Heney, had long been a brilliant exponent of Gladstonian liberalism and the paper still retained strong liberal tendencies in relation to the politics of England. It was during his Labour premiership that Holman allowed the taxation situation to escape him; had he then acted in accordance with principles which he enunciated and believed in, the Upper House would never have been able to prevent the imposition of increased direct taxation upon the higher income brackets. And had Federal loan policy been kept under stringent restriction, the disasters of the depression years would have been considerably mitigated.

During his great debate with Reid, and with equal vigour on other occasions, Holman advocated the policy of gradually extending the functions of the organized community. The Labour Minister most in sympathy with this policy was Arthur Griffith who, as Minister for Works, was primarily responsible for most of the State's experiments in industrial enterprises. From first to last, Holman and Griffith encountered a stream of propaganda, always directed to proving that, since State undertakings must ultimately fail, the sooner they are closed down the better. But fortunately authoritative reports of independent and disinterested authorities have established the main facts beyond serious controversy.

Achievements largely due to Holman were State brickworks, bakeries, quarries, sawmills, trawlers to cheapen and increase the supply of fish, and the State Monier Pipe and Reinforced Concrete Works. Excellent results were achieved with the State brickyards under both Labour and Nationalist Governments, showing that mere changes of political control did not interfere with the success of the enterprise so long as there was no attempt by

the Government to injure or sabotage it. Acquired in 1914, the Monier Pipe concern was most profitable to the Government, and by 1924 had paid all trading liabilities and interest and set aside profits and reserves amounting to £103,000.

However, it must not be supposed that the operations of the State undertakings were invariably successful. Thus, State sawmills were commenced in February 1919, during the Holman Nationalist Government. From that date until June 1921, a profit of nearly £9000 was accumulated. Thereafter, each year showed a loss. Undoubtedly this enterprise was adversely affected by the open or covert hostility of the Nationalist political party, both in the State after Holman had ceased to be its leader, and in the Commonwealth as well.

Next, there was the State trawling enterprise which originated in the recommendations of the Bavin Royal Commission on the supply and distribution of fish. That commission reported in 1912 that the position of the Sydney fish supply was "thoroughly unsatisfactory" and that:

The fundamental cause, in our opinion, lies in the smallness of the quantity caught. There is not enough to go round. The problem is how to ensure an increased and more regular supply, and, incidentally, to place it in the consumers' hands in a more wholesome condition, and at a moderate price.¹

Reporting in 1920 on the State trawling enterprise, the Royal Commissioner, Mr Mason Allard, said that the undertaking had been placed under the control rather of a scientist than a business manager. Over a period of four years the deficit had amounted to £37,000, a figure largely swollen by a very liberal allowance for depreciation of assets. But the main cause of the loss was the fact that the price charged the public for fish had been too low. George Fuller, who was then minister in charge of the enterprise, insisted that even the Auditor-General had failed to take due account of the fact that the object of the undertaking was to supply cheap fish to the less wealthy classes.

Late in 1919 Fuller determined on a bold extension of the enterprise by adding to the trawling fleet, and vessels were built at Walsh Island, although materials and commodities were at a very high price level. Their subsequent disposal at a time when shipping values had almost collapsed gave a very misleading appearance of disaster to the final records of the enterprise. The occasion for closing down the enterprise was furnished when a Royal Commission revealed some unsavoury happenings over a contract made in connexion with the enterprise. Advantage was taken of this accidental fact by a non-Labour Government which disposed of vessels and assets costing over £200,000 at a price of only £50,000. Holman said in 1924:

The dominating fact of the Australian fish question is that before the coming of the State trawlers there was for all practical purposes no commercial

trawling anywhere in Australian waters, and that today, after their abandonment, there is, save for some recent minor efforts of the Queensland Government, none again. The fish which are in the sea remain there.²

At first, the State baking enterprise was also conducted very successfully, and losses commenced only after its flour mill was allowed to be used under the terms of the Georgeson contract for the purpose of gristing 1916-17 wheat for export to the east.

Although he did not return to the State Parliament after 1920, Holman followed with close attention the subsequent conduct of the State enterprises. He and Griffith believed that several of them would prove an enduring memorial not merely to their individual foresight, but to a reasoned policy of State socialism. Each believed that, provided the managers were given a reasonably free hand and all elements of political interference were excluded, the enterprises would be as successful as either the State railways and tramways or the Commonwealth Bank under the guidance of Denison Miller.

Therefore, it was with the utmost indignation that, in 1933, Holman learned the State Government, then under Nationalist control, had decided to sell the three main undertakings—the State brickworks, the Monier Pipe-works and the State metal quarries, which had been carried on for twenty years by a succession of Governments, both Labour and Nationalist. Holman, who was then a Federal member, joined Griffith in a public protest.

The matter was brought up in Parliament, and, as one reason for disposal succeeded another, Holman and Griffith made crushing replies. For the moment, the protests of Holman and Griffith were effective. The proposed sales were not finally effected until the end of 1935, after Holman's death. Had he survived, it is not difficult to imagine what kind of comment he would have made upon the discovery that the purchaser of the State brick works was the brick combine itself. What Holman overlooked was the fact that, after the war, capital and business interests had become far more effectively organized for political purposes, and were able to control Government policy more easily. In other words, party finance became a much more effective instrument than it had been throughout Holman's ministerial career. Therefore, when Holman wrote (as he did) that private corporations would favour the sale by the Government of the post-office or even of the country's navy, he was only expressing graphically the very obvious fact that in the fierce competition for private profit, the protection of the average citizen is no concern of the great capitalist.

Later, in 1937, it was charged in the New South Wales legislature that there had been fraud in the sale of the three great State enterprises. A Royal Commission was appointed to investigate the charge of fraud and negatived it; but it either was precluded or refrained from inquiring into the main

question of public importance, namely, whether the sales were contrary to the public interest.

One curious feature of the Commission's proceedings was the ruling that the commissioner could not take into consideration the fact that the very persons interested in the purchase of a State enterprise had been contributors to the funds of the party which had decided upon the policy of Government sale. According to the argument which was advanced to the Commission, it is merely "a matter of policy" if business interests which are adversely affected by a competing Government enterprise contribute to the funds of a political party in the hope and expectation that, when that party will control the Government, its representatives in the Government will be ready and willing to sell the Government enterprise to the selfsame business interest or concern which has so contributed. Holman's personal view was that such transparently improper schemes for personal aggrandizement are more dangerous and subversive of good government than direct fraud or corruption. But Holman and Griffith were witnessing the emergence of a new political doctrine so firmly embedded in the principle of private profit, and so critical of any tendency towards State socialism, that it would deliberately dispose of or close down all State enterprises, especially if they were efficient or profitable or if they safeguarded the public against unfair exploitation. The implied thesis of political practice was condemned by Holman and Griffith.

Holman's objections to the Stevens Government's policy of closing down all State enterprises were supported by the Sydney newspaper *Truth* which was not unfriendly to that Government's general policy. Holman's public protest further evidenced the fact that the control of the anti-Labour party had been finally taken away from him and that his early hopes of converting the Nationalist Party to radical or even socialist principle, had to be abandoned. Full realization of this involved pain and distress. In his own party, his opinions had ceased to be of supreme significance. He was no longer able to lead a great public agitation in order to prevent what he regarded as the spoliation of valuable State assets. In the Federal Parliament he represented a conservative stronghold. He was almost powerless. The tragedy of his position was that his most important achievement as Premier had been destroyed by a younger generation of infinitely inferior intellectual quality, and his advocacy of "gradual" socialism had been set at naught.

But it is quite unsound to reason that, because on occasions a political group has disposed of successful State enterprises, and thus benefited powerful corporations which are open supporters of the group, Holman's prior work is to be treated as a failure. It may even be said that Holman's scheme of "socialistic" enterprises was commenced too soon and that the later developments of industrial and business organization will make future State intervention more likely to be permanently successful.

CHAPTER LVII

BACK TO THE BAR

AFTER his defeat in 1920 Holman felt keenly that the long series of personal attacks upon the Government's administration had not only injured but almost degraded him; and he was advised and finally resolved to press to finality a test action for libel. On 19 March 1920 he had issued a writ against a country newspaper which had published an article containing the following paragraph:

Mr Holman scored a short-lived triumph when he managed to extract a vote of confidence from thirty-eight Nationalists, but he has been biting his lower lip ever since as some strong Nationalist supporters have since resigned from the party. Sir George Fuller certainly made a point of going down to his electorate for the purpose of making a speech wherein he declared the allegations against Mr Holman to be untrue. Could political tergiversation go further? Even when the electors knew that Mr Holman persistently declared that everything in connection with the wheat transactions was correct, that there was no need for a Royal Commission (which literally had to be dragged from him), when they knew that he deliberately misled them in regard to Mr Wade's appointment to the Agent-Generalship, when they had Mr Holman's own oath for it (given in evidence before the Wheat Commissioner) that he was willing to take a £1,000 bribe (he called it a gift) from a man who was greatly interested in the renewal by the Government of the Kensington pony racecourse lease—Sir George Fuller has the effrontery to ask people to believe that the things said of Mr Holman are untrue! Granted that Mr Holman intended to devote that £1,000 gift to the National party's fighting funds, this fact renders it no less a bribe. It was only after a few other members had objected to the acceptance of the money that it was handed back to the man who tendered it. In the eyes of Sir George Fuller and others these happenings may be mere nothings in these corrupted times, but the whole of the people fortunately are not lost to a sense of political decency and propriety.¹

The Holman libel action was regarded by the Supreme Court of New South Wales as of public importance, and a special jury of twelve was empanelled. The hearing commenced on 1 September 1920. At the outset, an application of a very extraordinary nature was made to the presiding judge—Mr Justice Ferguson—doyen of the common law judges—by Mr Sheridan, junior counsel for the defendant, and later a District Court judge. He requested that the judge should not take the case at all, saying:

Mr Holman, I am instructed to say, is well known to be a close friend of Your Honour's of very many years standing: further, Your Honour's relations

with Mr Holman have been more than usually cordial. Mr Holman read for the Bar in Your Honour's chambers and when Mr Holman was Attorney-General it was Mr Holman who appointed Your Honour to the seat on the Supreme Court Bench. I want to make it clear in saying that, that there is not to be any suggestion put forward that Your Honour was not an eminently fit and proper person to be appointed to the Bench, but, at the same time, the appointment was made over many of Your Honour's seniors at the Bar, and my clients feel that under the circumstances many a man might not be able to try the case with that strict impartiality that is always recognized by British law in these Courts that a Judge should display in the conduct of the case, no matter how much the Judge might try to exercise that impartiality.

Mr Justice Ferguson explained that the business of the Supreme Court had made it impossible for any other judge to take the matter. Then, with delightful and characteristic frankness, he completely disarmed the objector:

It is true that Mr Holman read in my chambers as a pupil; before that he had attended my lectures in the Law School when I was a member of the University Staff—that was nearly twenty years ago. It is also a fact that he was a member of the Government that did me the honour to appoint me to the position I now hold. I have no reason to believe that anything has ever occurred to disturb the kindly feeling that has existed between myself and the plaintiff. The relations between the Bench and the Bar are, I am glad to say, very cordial. A man who is appointed to the Bench does not, because of that appointment, break off the friendships which help to make life at the Bar so pleasant. To this day, I might say that hardly a working day of the year passes when I have not the pleasure of meeting at the luncheon table some of my friends at the Bar. As it happens, the plaintiff is not one of those; it might have been very pleasant to me if it had been so, but, as it happens, he is not one of the men I habitually meet.

Sheridan was himself a regular "diner" at the club referred to by Mr Justice Ferguson, and the two came into almost daily contact. But not a word of this escaped from the judge, whose conduct of the trial was, as always, beyond praise.

The jury, after a short retirement, found a unanimous verdict for Holman with damages at £500. Soon afterwards, another action in respect of a similar publication was settled by a public apology by the defendant who unreservedly withdrew all imputations against Holman and admitted that the publication was entirely unjustified. All costs were paid by the defendant.

These legal proceedings were properly regarded by the public as completely vindicating Holman of misfeasance; especially as, according to the then practice of the Supreme Court, a defendant in a libel action was allowed very great latitude in cross-examination of a plaintiff for the purpose of attacking his conduct as well as his reputation.

Immediately after these spectacular successes, Holman was entertained at a public luncheon, and a substantial cheque was handed to him from a group of his admirers. After receiving the cheers of his hosts, he said that:

From August 4th, 1914, to the day of leaving office he had deemed it his clear duty to put forth every effort to see that the power of this State was exerted to the utmost in the world struggle. All other considerations with him, whether as Labour or Nationalist leader, passed into second rank; ties of party, claims of personal friendship, obligations to old associations, all disappeared.²

He expressed gratification at his successful libel action:

In the calm atmosphere of the Supreme Court, where moth did not corrupt, nor thief break in, and where for the moment the views of the daily press were hushed—I obtained the unanimous verdict of twelve plain citizens that the suggestions made against me were without foundation. I believe this case will have done a great deal of good.

Finally, with typical grace, he asked his Nationalist friends to extend consideration to John Storey, the new Labour Premier.

Mr Storey and his colleagues must be given credit for the best of intentions, and must be sheltered from that bitter, acrimonious, and unjust criticism which we know from bitter experience is calculated to embarrass the efforts of those called upon to look after the affairs of the State. The public can well be left ultimately to judge between them and us, as to which is best qualified to conduct the affairs of the country with success.

All possibility of Holman's re-entering the Assembly via a by-election was removed by an extraordinary amendment to the Electoral Act. A serious difficulty in all systems of proportional representation is the problem of dealing with casual vacancies. On this occasion it was provided that any vacancy should be filled, without contest, by the candidate who belonged to the same party as the member resigning or dying and who had polled nearest to such elected member at the preceding election. In Holman's case, this meant that, at Cootamundra, even if the successful Progressive member resigned, Holman would not obtain the seat, and could not even contest it. It also meant that in no other constituency in the State could an entrance to the Assembly be effected for him by any National member who might be willing to resign. Further, no general Federal election was due until the end of 1922. Thus, for some considerable time, all political openings were to be denied him.

After a short holiday, in which he endeavoured to restore his general health and soothe his shattered nerves, Holman decided to resume a practice at the Bar which had been interrupted by his ten long years of public office. He

engaged chambers in Phillip Street, Sydney, and there practised continuously until his death in 1934.

Success at the profession of the Bar can never be assured, and, when Holman commenced practice in 1903, he was nearly thirty-three years of age. By 1920, he was already forty-nine. Owing to his close association with the trade unions, his original practice had been confined in the main to cases in industrial arbitration and constitutional law. But, after his separation from organized Labour, it was very unlikely that he would again receive many trade union briefs. In any event, he had little stomach left for the tedious grind of industrial arbitration work. As a consequence, his practice became concentrated on common law work. Occasionally he accepted briefs in the Criminal Courts where his address to the jury was often as decisive as before the common law civil tribunal, which, in the Supreme Court of New South Wales, was founded on the special jury system. At a later stage, Holman received many heavily marked briefs in cases under the Liquor Act, in which the issues, although of little or no legal significance, were of great financial importance to brewers or hotel entrepreneurs who were seeking to procure or oppose a new liquor licence or to transfer an old one.

In making his second début in 1920, it would have been quite out of place for a man who had been Attorney-General for nearly three years and Premier for nearly seven, to remain a junior. Accordingly he applied for silk and was immediately gazetted "one of His Majesty's Counsel, learned in the law". In this way Holman was relieved of the burden of drafting preliminary pleadings; but this move rather accentuated a serious weakness in his position as a leader of the common law Bar—his comparative unfamiliarity with the rules of practice and the forms of pleading. Between 1910 and 1920 there had been some changes in common law practice and in jury methods. In 1920, mere eloquence was of far less importance than in 1910. Eloquence was still of value, but judges and jurors expected speeches to be fairly closely related to the facts of the particular case. This in itself was not to Holman's disadvantage, for, despite frequent assertions to the contrary, he spoke at his best after he had completely mastered his material. His difficulties were of another character. In almost every common law action, the crisis of the case will occur at some point in the trial which can seldom be foreseen—when vital evidence is about to be either admitted or excluded. Holman's mind was a first-class one, and he not only understood, but was skilful in applying, the great general principle of logical relevance which is the foundation of the law as to the admissibility of evidence. But logical relevance, though a condition of admissibility, is not always a guarantee of admissibility. Alongside the main principle of relevance, there are many specific rules by which evidence, though relevant, must be excluded for reasons which have commended themselves either to the courts or the legislatures. Thus, in any cross-examination which

involves the use of important documents, the manner of handling such documents is governed by rules which have to be applied rigidly, and which should be, so to speak, incorporated in the mental make-up of the successful barrister. These specific rules it should never be necessary for him to look up, for they may have to be applied at any moment. Of these rules Holman was by no means ignorant. But in their constant, almost automatic, application, he was insufficiently experienced. Before the early industrial tribunals, such rules were often honoured by a hearty non-observance. Now, before the Supreme Court, they were of vital importance. Nor was this Holman's only difficulty. The art of deft cross-examination cannot be inculcated with speed. Experience is the best teacher. There is astonishment if, at the age of fifty, a counsel is guilty of a howler which, committed at the age of twenty-four, may escape notice altogether, and, given common sense and some prudence, will scarcely be repeated by the junior at the expense of a different client. In these ways, the faculty of instant and final decision—involving sometimes a determination to change the course of a trial, or to change even *that* determination—is necessary for the highest success at the Bar. Over and above a thorough knowledge of the procedural law and the practical art of conducting the case, counsel must have a knowledge of the general law applicable to the particular case. To a great extent this knowledge can be acquired in advance of a trial and an able junior may be of considerable help. But an important point of law may arise suddenly in the course of the case, and there and then counsel's knowledge of the general legal principle may assume great importance. Certainly, at such a moment, ignorance may be fatal.

Thus Holman, by reason partly of the nature of his former practice, and chiefly by reason of his long absence from the Bar, was greatly handicapped; and at first he found the task of overcoming these practical obstacles no easy one. His considerable success was due as much to his realization of these difficulties as to his steady and strenuous efforts to overcome them. His first great case as leader was in a libel action in which he appeared for Ashford, his old ministerial colleague, who sued the *Land* newspaper for imputing to him improper political favouritism in connexion with certain compulsory land acquisitions by the Returned Soldiers Settlement Branch of the Lands Department. Holman was opposed by one of the recognized leaders of the Bar. The case came before a special jury of twelve, and after a hearing of ten days, the result was a verdict for Ashford for £2000 damages. This was a great start for Holman, and the result naturally attracted more briefs. Gradually his name came to figure in a number of spectacular libel actions. Many difficulties had to be mastered, and often progress seemed slow. He did not always succeed as strikingly as in the Ashford case. But the demand for his services became fairly steady and he settled down to enjoy a good deal of excellent work which produced a satisfactory income.

He threw himself into his cases with great energy, and some of the leading common law juniors came to look forward to sharing with him the frugal sandwiches which were served at his chambers during the hour of adjournment. The junior walking with him over the two hundred yards which separated his chambers from the Supreme Court would be thrilled at his "progress" along Phillip Street, enchanted by his voice, his presence, his popularity, his general culture. He gave little outward sign of overwork, but he wrote:

On top of all this, I have been frantically busy and overworked professionally. Fortunately I had one blank week—owing to the Rofe case being postponed a week. I regarded this as a misfortune at the time, but it permitted me to have my own attack of biliousness in peace, and also to look after the opening stages of my father's illness.

Two very important professional performances were his brief to assist the Royal Commission which investigated the question of carving one or more new States out of New South Wales, and his brief for T. E. Rofe in *Rofe versus Smith's Newspapers Limited*, a *cause célèbre* in defamation. He wrote to his wife, then in England with their brilliant daughter Portia:

The New State Commission is going along very nicely, and promises well for fees. Unluckily, I have missed a few days of it this week, owing to the Rofe case. Rofe, in fact, pays on a higher scale than the Government, so there is no actual loss, but I had hoped, at one time, by a judicious fitting in of dates to get both. Apropos of this: I am sending Possum a section of the printed report of the evidence showing my cross-examination of one or two of the witnesses at Glen Innes, where I consider I did remarkably well. They are quite good examples of successful cross-examination. I will ask her to send them on. See that she does.

Portia had been taking Moderns at Cambridge, and had a simple explanation in economic terms for the "New States" demand of the Country Party group which supported the Fuller Government of 1922-5. The cross-examination to which Holman's letter referred was that of a witness who was a very prominent advocate of a northern new State. His success as cross-examiner on the particular occasion seemed to justify a little self-satisfaction.

In spite of his work, Holman's income did not reach very high figures, and he was never quite free from financial worries. Thus he wrote:

The year which closes tomorrow has been on the whole a very satisfactory one. I am winding up in debt to this extent. I haven't paid my

State Income Tax	£250
I have an overdraft of (say)	250
I have sundry small accounts (say)	250
	<hr/>
	750

Against this I have due by solicitors who are good, pays though slow	£800
By the Government	400
And during this last week I have also earned at least £150 on Rofe's account	150
	<hr/> £1,350 <hr/>

So you see I am winding up the year with my assets well ahead of my liabilities, but as you know, these things do not materialise promptly.

At the time when this letter was written, Holman had accepted a directorate on the *Sunday Times*. He did not, however, approve of McIntosh's dictatorial methods of management. "I have written him plainly," he wrote, "saying, that unless the present methods of managing the *Times* are abandoned, I shall part company with it altogether. This is a serious step but unavoidable."

Holman was always concerned to provide suitably for the completion of his daughter's education, to achieve a financial sufficiency for his family, and finally to re-enter politics. He wrote to his wife:

Point out that the present state of things is only kept going by my remaining at the Bar, with all its concomitant drudgery, and that I could either take a complete rest, or go into politics again, both of which appeal to me very much more than the grind of cases, were it not for the responsibilities that weigh on me. I can, of course, find the £300 or £400 which will be needed to support her for this year, but every such sum, so diverted from investment, postpones the day of financial emancipation to which I am working. Tell her she should co-operate with us *con amore*, towards that end which will be, ultimately, to the advantage of all three of us.

His home at Mount Wilson was a frequent solace in the midst of strenuous work:

Beautiful weather, but the place not so far forward as I expected. The lilac and wistaria are still in bud. I have lent the place to . . . for next week-end, and to . . . for the next. The one is a good friend, and the other a good neighbour. But they will get the full benefit of the Spring. I didn't anticipate being able to go near it for some time. On the other hand, when we were there, the laurel hedge was in bloom. I have not seen it before. I enclose a flower. They are full of honey. The rhododendrons and forsythia were flowering well, but the bulbs did not look so good.

Holman retained his directorship of the *Sunday Times* until 1926, but the actual control remained almost exclusively in McIntosh's hands. When joining the company, Holman had purchased 12,500 shares for £17,500, £4000 being paid for by him in cash, £3000 being credited to him for his

political memoirs and McIntosh agreeing that the balance was to be paid over an extended period, dividends to be applicable to such payment. In November 1924 there was a cancellation and an agreement under the terms of which McIntosh bought back the shares. During McIntosh's subsequent bankruptcy, the terms of the agreement were closely investigated, Holman being called as a witness. Referring to his £4000 payment, Holman made a convincing and impressive statement:

Mr Registrar, that £4,000 or a very little more money represented my savings after having been in office and drawing an official salary for 10 years. I had been uninterruptedly in office from 1910 to 1920, as Attorney-General for $2\frac{1}{2}$ years, as Premier for $7\frac{1}{2}$ years. During that period, I succeeded in accumulating by perfectly honest methods about that sum; a little of which I stated had been invested on a small home in 1921. That is my answer to that. As to Mr Teasdale Smith, I never got a penny from him in my life, never one copper. I am here on oath and am prepared to allow any investigation of my affairs and I say that I never got one copper of that money from anywhere outside my salary.

It was this compulsory investigation of McIntosh's affairs which again brought home to the people of Australia that W. A. Holman had not profited to any extent financially from his political career. Subsequently, his estate was shown to be quite inconsiderable; so much so, that his family were reduced to straitened circumstances.

CHAPTER LVIII

CARVING UP A STATE

DURING the war of 1914-18, Holman analysed what he called the special contribution of France to the culture and civilization of the world. This had helped to gain for him the award of the Legion of Honour. After Versailles, Holman still remained a spokesman for France amongst the leaders of Australian thought. He sympathized with the many difficulties of the Republic, and was a strong supporter of the foreign policy of Sir Austen Chamberlain. Holman argued always that a complete understanding with France was a condition precedent to enduring friendship with Germany and he regarded Britain's relationship with France as important to the future of "democracy".

With his usual bias against Germany, Chamberlain wrote to Holman in 1926:

Our people were stampeded by a kind of league[^] intelligentsia who taught them that Germany was not having fair play. The man in the street had not the information to control this statement and all the British sporting instinct was aroused, and the zealots of the League of Nations Union ought to have known better. The League might well cry "Save me from my friends."

Holman's Francophile feeling had been intensified by his experiences during his visit to the Front in 1917:

I saw, for the first time in my life, and I hope the only time in my life, what systematic devastation really means. Those who have not seen it—many of you saw very much more than I did—but those who did not see it must be pardoned for not fully realising the urgent necessity the French Government felt of dealing with this problem before anything else.

In 1924 Holman was chosen to deliver the "oration" at the Hume-Hovell Centenary Celebrations held at Albury. There was a large gathering of the pioneers and, around the famous Hovell tree on which the name of the explorer and the date, 17 November 1924, was originally carved, Holman delivered a magnificent address to thousands of people. Before this Holman had not made any special research into the history of Australian exploration. He did so for the occasion, and, by his powerful imagination and faculty for word pictures, brought home to his audience the special significance of the exploit of the two men who had discovered and crossed the greatest river in Australia. Worthy of quotation is his reference to Evans's discovery that the first inland river in Australia was flowing in a westerly direction. He said:

I must pause at this point, and ask you to realise the full force and importance of this most unexpected—this most surprising fact. To us to whom the map of Australia is familiar, who learn in our school-days the scheme of rivers from all the eastern States, all finally uniting in South Australia, there is nothing bewildering or mysterious in the idea. But to these hardy explorers the new discovery was perplexing in the extreme. They had been travelling many weeks up from the sea. When they at last came upon a river, they naturally expected to find that river running back into the sea. Instead of which its waters were travelling in the same direction as themselves. Where did they flow to?¹

From subjects like these, Holman could turn to an equally brilliant description of the scientific achievements of the modern world. Here, he thought, there were special dangers, for, under capitalist control, printing, wireless, and the cinematograph were being exploited by influences which encouraged the suppression of dissent and the increasing power of mere wealth.

In 1919 there commenced an agitation on the northern tablelands for the separation of the northern part of the State from New South Wales and the establishment of an additional State within the Australian Federal system. This agitation seems to have derived from an earlier movement originated at Grafton and with which Dr Earle Page was associated. There also sprang into existence an organization which advocated the founding of new States in the Riverina and in the Monaro districts of New South Wales. When, in 1922, Sir George Fuller, the Nationalist leader, became Premier of New South Wales, he was dependent to a large extent upon support from the new Country Party, and pressure from the latter led, in April 1924, to the appointment of a Royal Commission to investigate the various "New State" schemes. Holman was appointed leading counsel for the Crown to assist the commission. This was a great opportunity for him, and he took full advantage of it. For the task he was ideally fitted by temperament, by inherent interest in the subject matter, and by practical experience of government. After close investigation, he reached the conclusion that, even where local grievances were soundly based, and most of them were not, their cure lay, not in the creation of new States, but in taking appropriate action within the existing State organization. One of the pamphlets of the new State movement was typical of its anti-Sydney spirit. It said:

The political power of the Capital has unscrupulously manipulated public funds to continually provide increasingly attractive facilities in the Capital as compared with the country, and to concentrate the trade of the whole State in the metropolis by unnatural railway systems. . . . When we look at these figures, and remember in addition that the greater part of the revenue from every source from which the country is being drained is being spent in Sydney, need we marvel at Sydney's growth.²

Dr Earle Page himself was called as a witness and stated his opinions with characteristic fervour:

I am forced to the conclusion that the State of New South Wales is by far the most expensively governed State in the Commonwealth, and that no new State would dream of beginning operations on the same extravagant lines.

Accepting Holman's analysis of the figures of Earle Page, the commission reported that:

If separation does take place, those residents in the Northern New State must expect and will get heavier (and it is probably safe to say very much heavier) taxation than they have to carry at present unless there is to be a considerable re-casting of the present Governmental functions. It has been satisfactorily shown to us that the statement: "*This area has been self-supporting as far as New South Wales is concerned as regards administrative expenses*" is not borne out by an investigation of the figures submitted.

It was Holman's services to the State at this commission and the convincing findings thereof which practically killed the agitation to split the Mother Colony of Australia. It is curious to note that many of the leaders of the new State movement subsequently became members of the legislature, or ministers in the Government either of the Commonwealth or of New South Wales. As they acquired practical experience of the actual problems of administration, the agitation for New States gradually subsided and almost disappeared.

In spite of Holman's steady success at the Bar, and his equally steady restoration to the confidence of the people, there was, in the Nationalist Party itself, a group which seemed sufficiently powerful to prevent his re-entry into Parliament. Although Holman had constructed the Nationalist machine, he was unable to control it after his defeat in 1920. Thenceforward, his name was associated with many rumours of political change. But the Nationalist Party, although it returned to power in 1922, made no attempt to avail itself of his services in Parliament, although it was always ready to use his organizing genius out of Parliament. When Sir George Fuller became Premier in 1922, one of the first things that might reasonably have been expected was Holman's appointment to the Upper House, the debating standard of which he would have raised considerably. Such an appointment would have involved nothing save an honourable recognition of devoted service to the State. But, as a result of the gradual re-alignment of the Nationalist organization, those left in financial control, and some at least of Fuller's ministers, were fearful and unfriendly. Holman might present a dangerous obstacle to the ambitions of inferior minds. If he was restored to the parliamentary forum, even via the Upper House, who could tell what influence he might not be able to exert? Those who exercised financial control believed with

some justification that Holman was still at heart a Labour man and a radical. Doubtless he had to be conciliated and given an occasional fat brief. Even that he did not really need, for he was doing quite well at the Bar. Let him remain there. The Country Party held the balance of power, and they had never liked him. In the years to come, he might be appointed to the Bench. True; he had been the creator and inspirer of the Nationalist Party, but that was no reason why he should be given high political office. Little wonder that, during a public controversy after his death, Mrs Holman aptly referred to the fable of the lamb and the lion:

I should like it never to be forgotten that at the great crisis the best minds of every section combined for the good of the nation. My late husband was never annexed by any "other side," for he it was who actually formed the National Government. When the lion lies down with the lamb, the lamb is generally swallowed, but that also is another story.³

On several occasions when Holman's name was under public discussion, inspired Press paragraphs evidenced definite hostility from Nationalist headquarters to any attempt on his part to re-enter politics. Thus, in 1925, as the Fuller Government seemed to be moving slowly but surely towards electoral defeat at the hands of the Labour Party, the Sydney *Guardian* suddenly became particularly bitter towards Holman; and it published some extraordinary and unjustified criticisms:

Without Mr Holman the Nationalist Party has always had a chance. With Mr Holman, doom has always overhung it. It's a hoodoo. But the hoodoo was scotched, not killed—if it be possible to treat a hoodoo thus. Reappearances were made by Holman as Chairman-Director of that interesting Nationalist newspaper, the *Sunday Times* (owned by Mr Hugh D. McIntosh); as Chairman of Committee of the Art Exhibition of 1923 (guarantor, Mr Hugh D. McIntosh); and as advisory vice-president of the Nationalist Consultative Council. Finally, Mr Holman made a brilliant meteoric appearance, being appointed by Sir George Fuller and Mr Bavin as Government Counsel to the New State Commission. Barristers may say that Mr Holman's fees from the Government (though the Government refuses to tell) are probably not less than 30 guineas a day. The damage which the New State Commission does to the Nationalist politics would be modestly estimated at 3,000 guineas a day. A hoodoo, such as Mr Holman has been, is always dear to a party at any price. In politics, the road to ruin for a party seems easily discoverable. It is via Holman.⁴

Suddenly, there appeared on all sides newspaper paragraphs asking how much Holman was receiving as fees from the New States Commission. At this time, the *Guardian's* policy was very friendly to the Fuller Government, and it was universally accepted that its attacks on Holman had their origin in high Nationalist centres, and not, as might normally be expected, in

Labour propaganda. But Holman received short shrift from Labour too. When he attacked Labour's administration of the Sydney City Council, Lambert, the Labour municipal leader, replied:

Mr Holman may be reminded also that he was kicked out of the Labour movement for turning traitor, when endeavouring to rivet the shackles of conscription on the Australian people. He possibly does not forget that I had a big hand in his excommunication. Does he forget the time when he referred to impersonators in elections as well-meaning enthusiasts? Labour desires no advice from this man. It has had enough of betrayals for the thirty pieces of silver. Mr Holman, K.C., could not withstand the powers and temptations of Mammon.⁵

During the 1925 elections, Holman did his best for Fuller, but that Government's re-imposition of high school fees and the general demand for the restoration of Labour's forty-four hour week legislation settled the fate of the Government. Holman attacked Labour's policy in special *Sunday Times* articles; but, on each occasion, there was a bitter counter attack in the *Labor Daily*, as witness the following:

Our old friend, Mr Holman, K.C., bobs up serenely in the *Sunday Times*. On this occasion he deserts Shakespeare for his introductory quotation. Samuel, of Scripture fame, is chosen, and his lamentation, "How are the mighty fallen," is sought to be applied to Mr Lang. As Mr Lang is still on deck—and is likely to be for some time—and Mr Holman is chewing the bitter cud of political discontent, the latter's criticism of his popular adversary is not without its humorous aspect. Then we come to what Mr Holman, to add to his burlesque, terms Mr Lang's "intellectual structure." This is good persiflage, but having been politically found out, Mr Holman should not squeal. Lang, plain man for plain people, puts his political cards on the table. Holman, political adventurer, always keeps them up his sleeve.

CHAPTER LIX

THE ROFE CASE

AFTER the elections, J. T. Lang, the new Labour Premier, revealed the fact that the New States Commission had cost nearly £25,000 and that Holman had received something over £2000 in counsel's fees, a sum which was quite reasonable, having regard to the length and complexity of the investigations. Sir George Fuller resigned the leadership of the Opposition, and T. R. Bavin, Holman's old colleague and opponent, became Nationalist leader, and subsequently Premier of the State from 1927 to 1930.

In 1926 an appeal in the long drawn out Rofe case led to Holman's third and last return to England. Thomas E. Rofe, a wealthy man, who was very prominent in religious and charitable circles, had sued the proprietors of *Smith's Weekly* for publishing a libel in which, while criticizing the organization of a company in which Rofe was closely concerned, it also mentioned the irrelevant fact that Rofe had been convicted and struck off the rolls twenty-five years before for gross impropriety as a solicitor. Long before the libel was published—during the administration of John Storey as Labour Premier—Rofe had obtained the appointment by the Legislative Assembly of a Select Committee empowered to investigate the justice of the old conviction which had always precluded his restoration to the roll of solicitors. This conviction was had for Rofe's alleged participation in a conspiracy to deceive the Supreme Court and obtain a divorce for his client, one Butler. At the time of this conviction, there was undoubtedly a considerable general feeling of hostility to the legal profession, mainly owing to the sensational disclosures in the Dean case, which led to the arrest and trial for conspiracy of Dean's solicitor, Crick, and his young partner, R. D. Meagher. Although Crick was acquitted, and the conviction of Meagher was immediately quashed by the Supreme Court, there was, at the time of Rofe's conviction, a tendency to believe the very worst of solicitors. The question whether Rofe himself took part in the alleged conspiracy depended upon doubtful inferences from circumstantial evidence.

Although the jury had convicted Rofe, the presiding judge entertained grave doubts, and suspended the sentence under the provisions of the First Offenders Act. Next, Rofe's name was removed from the rolls of solicitors, and the State Chief Justice made the unfortunate suggestion that never again should he be restored to his professional status. Rofe worked unceasingly to reopen the question of his guilt; and the Select Committee reported that, in its opinion, he was an innocent man.

When Rofe brought his civil action against *Smith's Weekly* Holman was briefed to lead for the plaintiff. The defendant justified the truth of the article, also alleging, in accordance with the New South Wales Statute, that the article had been published "for the public benefit". At the trial there was a brilliant cross-examination of Rofe by Mr Long Innes, K.C., and Rofe made admission after admission as to the contents of written documents of which he could hardly have retained any independent recollection. While these admissions were being made, Holman raised no objection whatever. Long Innes's purpose was evident. Under the existing rules of practice in the Supreme Court, a defending counsel who called no evidence was able to deprive plaintiff's counsel of the right to sum up his case to the jury. Long Innes thus succeeded in obtaining the benefit of the last word to the jury. The trial was a long one, Holman was out-manoeuvred by Long Innes, and the jury found for the defendant. This finding was upheld by the Full Court upon the ground that, although the judges themselves might differ from the jury, their findings on questions of fact should not be disturbed. But Rofe, always a great fighter, was determined to proceed to the bitter end. So he instituted an appeal to "the foot of the throne", Holman being specially retained to visit England and appear before the Privy Council.

While abroad in 1925 and 1926 for this purpose, Holman was again encouraged to believe that, given a reasonable opportunity, he would make a considerable success in the House of Commons. He was invited to speak at a number of important meetings and functions. He attended Mont St Quentin when Marshal Foch unveiled the memorial to the 2nd Australian Division, and he strenuously appealed for a friendlier relationship between England and Australia on the one hand, and France on the other.

He contributed an article to the London *Nation*, doubting the *bona fides* of Germany in signing the Locarno pact. In keeping with most Liberal and Labour thought, the *Nation* strongly favoured the assistance of democratic Germany instead of postponing assistance until Germany came under the control of National-Socialism. And it said:

Mr Holman, in reaction against his early optimism of pre-war days, is determined to be realistic. But it is rank bad realism to suppose that conciliation machinery can in practice be treated as a farce. And another thing, we suggest, is rank bad realism, too—namely, to assume that the particular Power which by its general bearing may have been the chief menace to peace in one epoch of the world's history is likely to remain the chief menace to it in the next.

Holman visited Sweden as the special guest of the Foreign Ministry of that country. In England he broadcast an address on Australia. His great successes as public speaker led many Liberals to urge his entry into British politics. But no formal invitation came. His most important article was on

"Tendencies in Australian Politics", published in the *Contemporary Review*. In this he attempted to rationalize political tendencies from the point of view of a Leftist turned half-Right. The remoteness of the Federal Parliament, he said, had led to many able leaders dropping out of national politics: "The attractiveness of a public career," he said, "varies with the inverse square of the distance at which it has to be carried on."

Holman's attempt to explain the vocabulary of the Australian party names was fairly successful. There was no conservative party, so-called. Australia was a country "where two-thirds of the population had Savings Bank Accounts, where anybody may own his house, and where, in many trades, the workman of today easily becomes the employer of tomorrow". Holman was right about the savings bank accounts, but quite wrong about the working man being *easily* able to graduate as an employer. He failed to appreciate that the gulf separating employer from employee which had widened during the war was widening still further. Holman argued that the National "movement" was:

... the main political force in Australia. It aims at including in its ranks representatives of every class, from the workman, whose imagination is not fired at the idea of voting "Labour," to the pastoralist, whose politics are not sufficiently stagnant to make him vote "Progressive." The Nationalists are the Liberal Party of Australia, sometimes, as under the leadership of Sir George Fuller in New South Wales, leaning a little to the right; sometimes, as with Mr Bruce, to the left.

To speak seriously of Mr Bruce as "leaning to the Left" would have caused amazement and horror both in conservative and in Labour circles. At about this very time Bruce had adopted the extreme political expedient of passing legislation—subsequently deemed unconstitutional by the High Court—for the express purpose of deporting two prominent trade union leaders who had been concerned in an Australia-wide shipping strike. On the question of conservatism, Holman said:

The question—"Has Australia a Conservative Party?"—must be grouped with those others, to which hasty observers have also given a negative reply, as to whether the Australian tree has a shade and its bird a song. The answer to all three is in the affirmative. The Party, the shade and the song exist, but they are all rather little ones. Australian Conservatism is, naturally enough, associated with the land. The squatter in the first instance, and now to a large degree the settler also, forms up into a "Country party" sometimes styling itself "Progressive," whose primary purpose is to be less democratic than the Nationalists.

Holman's bitterness to the Country Party had been accentuated by his defeat at Cootamundra, and by his frequent conflicts with the "New Staters" who came before the Royal Commission. Of it he said;

Such a party, with a property basis and with frankly materialistic aims, does not advance rapidly in numbers, but it has able leaders, and, hanging as it does on the flank of the Nationalists, it has been able, in State and Commonwealth, to extort a measure of recognition—and a number of portfolios—quite out of proportion to its actual importance.¹

Holman's theory of the split in the Labour Party was that the issue of race and religion was largely responsible—"the Labour organization having fallen into the hands" of Australians of Irish extraction whom the Dublin Easter Rebellion had dissuaded from further supporting the war. But this too-simple explanation cannot be accepted. It is true that, in some of the States, the Labour machine came to be controlled mainly by Australians of "Irish extraction", largely as a result of the perpetual expulsion of every conscriptionist. But for this development Holman himself shared some responsibility. I have already shown that, until the direct issue of conscription was raised, little or no anti-war feeling had been aroused. While the Labour Party made a great tactical mistake in condemning Holman and Hughes to perpetual exile, they subsequently experienced the special mortification of being regarded by Nationalists as Labour leaders in disguise. After Hughes had been replaced by Bruce as Nationalist Prime Minister, he still remained a member of the Federal Parliament and had not broken away from the Nationalist Party.*

The great triumph of Holman's year abroad was his success in the Rofe case. Before the Privy Council he was led by Sir John Simon. The actual ground of the decision was that the jury's verdict was demonstrably wrong and that there should be a new trial. But, although the reasons for judgment contained no express reference to the question of Rofe's complicity in the conspiracy for which he had been convicted and degraded, it was obvious enough during argument that all the members of the Privy Council were prepared to accept the view that Rofe had been wrongfully convicted and that, if a Court of Criminal Appeal had been in existence at the time, the original miscarriage of justice would certainly have been remedied. As a result of the appeal, the defendant newspaper at once settled the action, paid costs and published an ample apology which quoted certain interlocutory observations of the Lords of the Privy Council. Holman's advice to his client to take this vital litigation on final appeal had proved to be sound. In the end, the way was opened for Rofe's application to the Supreme Court of New South Wales to re-admit him to the rolls. He was duly re-admitted as a solicitor and, at a later stage, was admitted to practice at the Bar of New South Wales. It was an almost unique vindication.

This very spectacular success made Holman's professional services sought for more eagerly and it certainly added to his general prestige among the

public. The Nationalist organization seemed again ready to appreciate his worth. Lang, as Labour Premier, had re-enacted the Forty-four Hour Week Act, had extended the Fair Rents Act to shops as well as dwellings, had greatly liberalized workers' compensation, had instituted a widows' pensions scheme and had brought forward an Industrial Arbitration Act, establishing a new Industrial Commission to be presided over by Mr Piddington, K.C. Finally, Lang was making a bold attempt to abolish the Upper House. In these circumstances, something like an S O S call went out to Holman from the strongholds of industrial and financial conservatism. At this moment, curiously enough, by some strange attraction of personality, one of Lang's closest political confidants was Hugh D. McIntosh, no other. It seems that, despite the excellent legislative record of his party, Lang had incurred unpopularity amongst many of his followers on purely personal grounds, and the attempt to depose him from the leadership would have succeeded but for McIntosh's cool advice. As a consequence, a very queer turn was given to political controversy. For, after a strong criticism by McIntosh's *Sunday Times* of Bavin's Opposition leadership, Holman replied to that criticism in the same paper. Holman praised Bavin as a man of the highest intellectual and professional equipment. He criticized Lang very strongly, but somewhat superficially and even flippantly:

The Premier has never given any indication of having opened a book in his life, apparently cannot even count the votes in the Legislative Council over its abolition, and could only count the votes in Caucus over his own abolition when he got a little outside help. Mr Lang's one real qualification is Robespierre's faculty—so valuable in revolutions—of always knowing who is actually working the guillotine. Whatever else may come or go, Mr Lang is the firm friend of the executioner. He will see all his colleagues sent to the block, but he will at all costs avoid going there himself.²

Lang had failed in his first attempt to abolish the Upper House despite the appointment of twenty-five nominees all pledged to vote for the abolition. But he was making a bold attempt to obtain additional appointments, and, as it was believed that the Abolition Bill would be brought forward again, a serious constitutional dispute arose between him and Governor de Chair. Holman insisted on the democratic postulate that, before a Premier could constitutionally swamp the Upper House with nominees for the purpose of procuring its abolition, a fairly definite mandate or authorization should be obtained from the electors. Holman then asserted with truth that, in the course of his policy speeches to the electors, Lang had not even referred to Upper House abolition. Holman also took the point that, when the State Governor had consented to Lang's twenty-five nominations to the Upper House, he had not been informed by the Premier of his intention to introduce an Abolition Bill.

The historian should note, not the precise argument as to whether the constitutional practice had to be determined along the lines indicated by Holman, but that, for the first time, a Labour leader was seriously endeavouring to carry out the accepted platform of the Labour Party as to the Upper House. In short, Lang was taking the very action which Holman himself should have taken after the 1913 elections when his policy speech (unlike Lang's in 1925) *had* referred to the Upper House, and *had* contained the specific assurance that he would compel it to carry out Labour's policy. Another curious point was that Lang, in trying to justify his claim to a second swamping, was relying upon the precedent created in 1917 when Holman as Nationalist Premier had obtained the appointment of twenty-three nominees to the Upper House, at a time when that Chamber was already prepared and even anxious to carry into effect every part of the Nationalist policy.

Lang decided to face a general election rather than meet the Assembly. The Nationalist organization decided to appoint Holman as campaign director. Holman praised Bavin, the Opposition leader, for having united Nationalist and Country Party against the Lang Government. But, in praising Bavin and blaming Lang, Holman was no longer on the side of McIntosh, whose paper commented:

Mr Holman is a man of many parts. He has a unique temperament, is chivalrous, brilliant, vacillating and a procrastinator. Mentally alert and intellectually efficient, with a wealth of political experience behind him, he can be credited with being the most adroit side-stepper when it comes to awkward situations. An observant student of human nature, sometimes, but not always, a good reader of character, he has an emotional streak that expresses itself in sympathy with the under dog. It must have been because of that streak that he rushed to the aid of Mr Bavin.³

It was noticeable that, in the Upper House vote on the Abolition Bill, McIntosh voted in favour of Lang's proposal and the *Sunday Times* made a pungent reference to some of the means which were adopted for bringing about the defeat of the Bill:

We did not mention it. Mr Holman should know what happened on the occasion of the fateful vote in connection with the abolition of the Upper House. Surely he does not intend to ask the world to give Mr Bavin credit for getting out of the way one of the Labour nominees to the Legislative Council, who was pledged to vote for the abolition of the second Chamber? Mr Bavin, we are certain, will deny that he had anything to do with the mysterious disappearance of a man who went back on his party and on his word.

During the 1927 campaign Holman had one or two very stormy meetings. At Newcastle, he complained that the Labour Party was still treating its ablest men with gross unfairness. And he instanced the case of James Dooley

who, in 1916, had stood alongside John Storey to oppose the conscription proposal:

"Take Mr Dooley, for instance," Mr Holman wound up. Dooley has fallen so low that a trades union official has been selected to his stead.—(Cheers and laughter.)—Surely these men are leading spirits in the Labour Party! Dooley was thrown aside because the party has no gratitude, or he has been beaten by an organized minority of extremism. (Hear, hear.)

What has become of a movement such as this?

A VOICE: You'll see next Saturday.

MR HOLMAN: Dooley had made his mark, and now he was turned out to grass like an old horse. (Laughter.) I repeat, what can become of such a party?

A VOICE: You climbed to affluence on its shoulders! (Laughter.)

MR HOLMAN: It is painful at the present time to reflect upon the decline of such a great movement. I believe that ultimately there is hope for it when it returns to its humanitarian ideals.⁴

It will be observed that, even in denunciation, Holman qualified his attacks on Labour. The elections resulted in a narrow victory for the Nationalist-Country combination, and Bavin became Premier; thus Holman's work as campaign director had proved effective.

CHAPTER LX

A BRUSH WITH HUGHES

FROM 1922 onwards, in the Commonwealth Parliament, as in that of New South Wales, the Country Party's prominence and influence were quite out of proportion either to its numerical strength or its electoral backing. After the 1922 Federal elections, it held the balance between the Nationalist and Labour parties and was willing to coalesce with the Nationalists so long as Hughes was not Prime Minister. The Country Party was led very ably by Dr Earle Page who had sacrificed his professional career in order to devote himself to public life. The Bruce-Page "composite" ministry was formed, and, after holding office until 1925, was again returned to power during the disastrous strike in which British seamen selected Australia as a battleground for resisting the demands of British employers by "tying up" each vessel upon its arrival at an Australian port. By this time Hughes had abandoned the insecure Victorian seat of Bendigo and had become member for the Nationalist pocket-borough of North Sydney. His political destiny was still to intertwine with that of Holman.

In 1927, upon the occasion of the official opening of the Commonwealth Parliament at Canberra by the Duke of York, Holman contributed a characteristic article to the new *Federal Capital Pioneer Magazine*. Holman thought that it was a propitious moment to review the working of the Constitution and made learned reference to an important series of High Court decisions. He stated one paradox thus:

Whilst at the various referenda submitted, proposals to definitely diminish the area of State functions have been defeated and the people as a whole appear (so far as their decisions may be judged) to desire at present to retain the bulk of them, the process of interpretation of the Constitution has unfolded innumerable unforeseen diminutions of their authority and their resources. With almost every fresh decision some fresh fragment is taken from their independence.

In 1928, upon the sudden death of H. E. Pratten, the sitting Nationalist member for the Federal seat of Martin, a Sydney suburban electorate, Holman submitted his name to the Nationalist organization as candidate. In accordance with permitted practice he issued a circular to the delegates appointed to the Martin Electoral Council by the various Nationalist leagues. Those delegates alone, not the entire party membership within Martin, were entitled to vote for the Nationalist pre-selection. In his circular Holman paid a fitting

tribute to Pratten, using the sonorous phrase: "Mr. Pratten's work is completed." But these extremely innocent words were seized upon by the *Guardian* newspaper to suggest that Pratten's high protectionist policy would be opposed by Holman.

Then the newspaper elaborated its attack:

Throughout his past political career, with its brilliant beginning and its clouded end, Mr Holman was an anti-Federalist; but it is an extraordinary manoeuvre to ask for selection to the Federal Parliament in such a character. Mr Holman has fallen into a first-class tactical error. He is so inveterate a State-Righter, he fails to see that Federalism is the present bulwark of sound government in Australia. Having before his eyes the State sovereignties of Theodore and McCormack in Queensland, Lang in N.S.W., and Hogan in Victoria, he is still a veiled enemy of Federal powers. Wise friends would have made Mr Holman tear up those letters, not send them out. No man ever made a more unfederal claim for a federal prize.¹

Unfortunately for Holman, his chief opponent for the selection was a nephew of the late member. In spite of this handicap, it seems clear that Holman would have won but for the fact that one of the salaried organizers of the central Nationalist organization used his position to organize *against* Holman, and did so with the connivance of some powerful Nationalist parliamentarians and officials. Whatever claims Holman's rival possessed were less than nothing as compared with the great services Holman had rendered to this party, to say nothing of the country at large. He was nearly fifty-seven years of age, but he was still quite capable of improving the standard of Federal parliamentary membership, and he would have enhanced the prospects of the Nationalist Party. But the *Guardian* article showed clearly that the inner forces of the Nationalist Party were determined to exclude Holman even from proximity to the throne. The ballot result was announced as follows:

Pratten	.....	49 votes
Holman	.. . . .	47 votes

From Holman's supporters there came an indignant protest and some effort to review the ballot. This move was violently opposed by the *Guardian*, purporting to speak for the Nationalist younger set:

Let the Nationalists dig their own graves as they choose. It can safely be prophesied that if they crack and break their own laws in order to push the young man out they will lose tens of thousands of votes of the Young Brigade all over the State at the next Federal elections.

Holman's protest against the methods used against him was dismissed. He said:

There has been some discussion regarding the right of certain delegates to vote—on that matter I have my own views—but the executive has decided in favour of Mr Pratten, and that decision must be accepted loyally by all.

After the Martin by-election had resulted in Pratten's return by a comfortable majority over the Labour candidate, there were further repercussions from the pre-election fight. Holman was utterly disgusted and in an article "What is wrong with Nationalism?" he denounced much of its methods and some of its policies.

Those who were opposed to Holman often desired to have him attacked, but they seldom did so openly. Again the *Guardian* came to "the aid of the party":

With the aid of the late Sir Gregory Wade and Mr G. S. (now Mr Justice) Beeby, Mr Holman created the Nationalist Party. He has been either President or Vice-President ever since. As Premier, he led the party for nearly four years. He grafted on the organisation many of the electioneering tactics he had found so useful when leader of the Labour Party. While he was Premier, the Premier's Office was practically the headquarters of Nationalism. He was given a substantial fee to "organise" the last State election, although it was officially explained that he was not the "Nationalist organiser". He is still a Vice-President of the Nationalist executive.²

In its next issue, the *Guardian* continued the attack on Holman and in doing so used material which, if it was authentic, must have been furnished from Nationalist headquarters. It said:

Moreover, in the New South Wales State elections of 1927, when Lang was beaten by Bavin, Mr Holman appeared in the final three weeks as "campaign Chairman". What he did is not clear, but he received the fee of £500 for his three weeks' devotion to his party's chances. This highly-rewarded devotee of Nationalism now irritates Bligh Street. They say that though it be libellous to apply the words "petulant and feminine" to a matured male, verging on the elderly, yet they must so defame Mr W. A. Holman. His tendency to "nag" proves that such men can be equal to the opposite sex in Wanting Its Own Way.

But the Nationalist organization was about to encounter more serious troubles. Late in 1929, Hughes, who was still a powerful national figure, although only a private member of the Nationalist Party, succeeded in compelling the Bruce-Page coalition to face the country on the government's proposal that the Commonwealth should (except in two or three selected industries) abandon to the States the jurisdiction over industrial arbitration. The Labour Opposition, supported by Hughes and several other Nationalists, defeated the Government in the House: a general election was held. Hughes brilliantly organized his own rebel group and the Nationalist organization

failed to unseat him. The election resulted in an overwhelming win for the Labour Party and J. H. Scullin, its able and popular leader. In the landslide, by a curious irony, the Nationalist stronghold of Martin was lost, so that Holman's rival at the Nationalist ballot took little from his victory thereat.

The industrial arbitration proposals of Bruce bore a family resemblance to some of the schemes which Holman himself had advocated in opposition to Hughes's earlier attempts to amend the Constitution. Holman concluded that, on the particular issues, Hughes must be vigorously fought. "Never," said Holman, "was an election thrust upon a people so unprepared, and for more selfish purposes. It was the outcome of bitter personal animosity, revenge and spite on the part of one man."³

Holman wrote an interesting pamphlet which pointed out that in 1920, Hughes, after having made four unsuccessful attempts to secure the entire industrial arbitration power for the Commonwealth, proposed to the then State Premiers a scheme of industrial arbitration based upon a division of industries into Commonwealth and State groups. Holman argued that, in principle, this was the same scheme as Bruce now proposed, but Hughes opposed. He said that, as Bruce was merely following Hughes's prior suggestions, the explanation of Hughes's opposition must be sought in his desire to revenge himself upon the Bruce-Page coalition which had ejected him from the position of Prime Minister. So he concluded his pamphlet:

Such men as he are never at heart's ease
While they behold a greater than themselves—
And therefore are they very dangerous.

Such is the judgment of history on an earlier assassination, and such will be its judgment of Mr Hughes's present exploit.

At North Sydney, Hughes was opposed by an official Nationalist candidate. On the hustings, Holman repeated the charge that Hughes's opposition to Bruce and Page was based on a desire to revenge himself for former injuries:

Mr Hughes was simply seeking a way of attacking the Bruce-Page Government. On the first day of the National Convention of 1928, Mr Hughes attacked Mr Bruce on the matter of Italian immigration. Next day, discovering that his attack was not going to succeed, he made a retreat, compared with which the retreat from Moscow was only a coincidence. The National leaders then were puzzled by Mr Hughes's antics. But we have the explanation today. That explains this and this explains that. The time has arrived for a public demonstration of our belief that private spleen and personal feeling should not be allowed to enter into public life.⁴

Naturally enough, Holman's personal feelings were even more frankly expressed in his letters:

Everybody is afraid of Hughes. I am not, and I gave it him right in the neck. I read out his speeches at the last National Conference about "the Dagoes" and the American picture shows (made when he was attacking Bruce, because he wasn't patriotic enough) and contrasted them with his attitude today when I said his election expenses were being paid by the Americans, to destroy Bruce who was too patriotic to allow them to escape further without taxation!!! This speech seems to have been heard all over New South Wales, and I have received congratulations from every side.

But the collapse of the Nationalist machine was by no means distasteful to Holman, despite his own brave showing during the campaign. For one thing, the seat of Martin might soon be his. On all sides the Nationalist organization was condemned, yet Holman was exonerated from responsibility.

Holman openly advocated a complete overhaul of the party:

The Nationalist party has very nearly outlived its usefulness in this State. Its organization as a fighting force is practically non-existent. The only remedy is an utter re-organization, root and branch, with a base of popular sentiment in every electorate, instead of domination by cliques. Its officials are engaged in wire pulling. They know how to manipulate votes in branches, but have not the slightest idea of how to fight a stiff public campaign. Whether the machine is capable of drastic re-organization I have mentioned remains to be seen. Personally I doubt it.⁵

Holman seemed very pleased at the fact that Archdale Parkhill, M.P., a very powerful leader at Nationalist headquarters, had nearly lost Warringah, the safest conservative seat in New South Wales. Describing the violent change in public opinion, one of Holman's letters thus referred to a *Sydney Morning Herald* leader:

... which amazed me by giving practically for the first time—a very true and appreciative account of my efforts re Child Endowment. I really believe that (1) the defeat of Bruce, (2) the obvious failure of Bavin and the equally obvious incapacity of anyone else to stand up to Hughes in the recent campaign, have put the minds of all the nobs on to me. It may be that the legend of my capacity etc., is now to be quietly worked up, in anticipation of my "coming back". *Nous verrons!* But I shall not come back just now.

He added a shrewd, if extravagantly expressed, analysis of some of the results of the election:

As to Hughes himself—who made all the trouble—the most gratifying thing in the whole situation is that he is, apparently, going to get nothing out of it. He reckoned on Bruce accepting the situation created by the secession of himself and three or four others, and that this small group would thus hold the balance, and make terms with Scullin. No doubt the support of the group could have been got, at the price of some graceful concession to the Leader.

But Scullin has now swept the board, and the whole thing has become impossible. Scullin wants no help from anybody, and W.M.H. is hopelessly in the background. And his trouble is that he got in at North Sydney largely on Labour votes, and dare not, I imagine, even take the role of the Government's keenest critic. He *must* be fairly friendly, and they will have no bone to throw him. Bruce, of course, has fallen from grace. Bavin has apparently no thought of judgment to come. He is going round dilating on the unblemished reputation of the State Government, as if it were moral turpitude, instead of d——d stupidity which had pulled poor old Bruce over. As a result of all this my own stock has, I can see, gone up enormously. Everybody deplores Martin, says that my presence might have made all the difference etc., etc.

As it turned out, Holman's ambition in relation to the Federal electorate of Martin was to be realized, but not until after two long years of economic depression.

CHAPTER LXI

CANBERRA AT LAST

IN 1928 Holman was appointed to the J. M. Macrossan lectureship by the Senate of the University of Queensland. In fulfilment of the terms of his appointment, he delivered three most able lectures upon the actual working of the Federal Constitution. He emphasized that, as a result of High Court interpretation, the constitutional centre of gravity had gradually shifted from the States towards the Commonwealth.

After the Rofe case, Holman's practice had broadened out into more varied and remunerative work, but after his return to the Bar in 1920 he had never been briefed in any of the great post-war constitutional cases. Accordingly, he specially prepared himself for the Macrossan lectures, resolving to master the significance of every important decision on constitutional interpretation. For several weeks he completely buried himself in the subject and, in the lectures, was able to analyse each leading case with acumen of thought and brilliance of language. In spite of the notorious fact that discussion of technical legal decisions is seldom of interest to a lay audience, he enjoyed something of a triumph.

In my judgment, Holman had the mental equipment of a great constitutional jurist. He had a very keen critical faculty, an excellent acquaintance with the philosophy of politics and legislation, an extensive knowledge of constitutional forms, and that capacity to deduce principles from particular cases without which legal and constitutional analysis is devoid of significance, to say nothing of intellectual pleasure. Thus, when the Royal Commission on the Constitution of the Commonwealth heard evidence in 1928, that of Holman proved to be of great value. He said that, although the States still had to discharge vital functions which involved great expenditure, the Constitution no longer guaranteed them an adequate share of revenue or financial aid. His analysis demonstrated his unique ability in describing and rationalizing legislative tendencies without losing the concrete situations in mere abstractions.

After the collapse of wool prices in 1930, the growing unemployment and distress in Australia created something of a panic. One curious by-product was a renaissance in popular discussion of great political problems. Holman frequently agreed to lecture on such topics. He was too honest intellectually to utter the usual platitudes and was therefore always interesting and impressive. He refused to believe that mere budget balancing was the real problem,

for the State deficits were easily capable of explanation. Especially was he critical of the supposed panacea of drastic wage cuts. He said:

They (the deficits) were largely due to the plight of the railways, and taxation should be applied to motor vehicles using the highways in order that railway and tramway losses could be recouped. Further, the country was suitable for closer settlement and should be made productive. If this were done, the railways deficit could be wiped out, and the remaining fraction of State deficit could be dealt with without adopting such sensational and panic-stricken methods as were proposed. New South Wales lines had been built through wheat-growing areas, yet no effort had been made to put those areas under the plough.¹

Towards the end of 1930, the Bavin Nationalist-Country Party Government, the first of the Australian State Governments to face a depression election, was defeated on a landslide, Labour being returned to power. After this, Holman decided to submit his name again for the Martin selection ballot. In 1931 he threw himself with eagerness into public affairs and strongly opposed Lang's suggestion that, in relation to oversea loans, payment of interest at the full rate should be discontinued by the Australian Governments. Holman also attacked the Country Party for hesitating to unite with the Nationalist machine or to join the ex-Labour minister J. A. Lyons in a "holy alliance" against J. H. Scullin, Labour Prime Minister, who, with a hostile Senate and fierce internal opposition from Lang, was desperately trying to mitigate the disastrous unemployment position. Holman was bitter against the Country Party:-

After two years and a half of Mr Lang Mr Bavin came in. This time the Country party pursued other tactics. They joined up on exorbitant terms. Four seats in the Cabinet, the deputy-leadership, and the expenditure of enormous sums on public works "in the north"—such was their simple programme. Mr Bavin's Government had a larger expenditure of loan funds to its credit than any other in our history. This is chiefly due to the many millions of pounds spent on northern lines, judged by the Railway Commissioners as preposterous. It would be the one redeeming feature of the scheme of separation that, if it came off, Dr Earle Page's New Staters would be left to meet these deficits out of their own pockets, instead of shouldering them on the general taxpayer.²

According to Holman, the Country Party policy amounted to the following:

Let Lyons fight the battle. If he wins he will find us always hanging on his flank and demanding enormous concessions. If he loses, we shall be free to make whatever terms we can with the other side. In the meantime, let us restart the New State cry in New South Wales. If Dr Page and his-followers

fail us now, it will be remembered, with bitter execration, in their own seats as well as all over the Commonwealth. Where Mr Latham and even Mr W. M. Hughes can join in, Dr Page cannot afford to stand out.

During the frequent constitutional disputes between Labour Premier J. T. Lang and Sir Philip Game which convulsed the politics of New South Wales in 1931 and 1932, Holman occasionally intervened. He pronounced a public warning against any attempt to induce the Governor to make a violent exercise of his alleged reserve power of dismissing ministers and dissolving the Assembly. But one of Holman's letters which strongly criticized such an attempt was published by him under a *nom de plume*. He felt himself compelled to adopt this expedient because of the intense political bitterness existing at the moment. If Holman had used his own name, the Nationalist electors of Martin, and certainly the Nationalist machine, would probably have charged him with friendliness to Lang, and sought to discredit him. Holman, while yielding to this storm, was unable to yield to the prevailing hysteria, and refused to resolve constitutional disputes according to whether or not the suggested solution would serve the political advantage of his own party.

Holman now strained every nerve to return to political life by means of the Commonwealth Parliament. Although supported by a very large majority in the Lower House, Scullin's Labour Government was in a hopeless minority in the Senate, to which no fresh blood had been added on the occasion of the 1929 landslide. Owing to the total collapse of wool sales, Scullin, making desperate efforts to conserve Australian funds abroad for the purpose of redeeming all interest obligations in full, was practically compelled to implement what was called the Premiers' Plan which, while it provided for the reduction of interest rates upon internal loans, also included a scheme for very large reductions in the salaries of public servants and in the pensions of old persons and returned soldiers. Early in 1931, operating for once with amazing celerity, the Federal Arbitration Court set its back on the established basic wage standard and reduced that standard to a point considerably below Mr Justice Higgins's famous Harvester award in 1907.

In such economic crises, the political battle generally goes against existing Governments. All the world had nostrums by which every evil of the body politic could be immediately cured. As the months slipped by, the Scullin Government had to suffer a barrage of abuse and misrepresentation unequalled in Australian history; to the regular attacks of an anti-Labour Press were added the blatant shrieks of commercial broadcasting stations, mostly controlled from similar sources. Scullin was forced to abandon his original plan for a double dissolution. Then his party sustained two splits, one at its Right end, the other at its Left, the first caused by J. A. Lyons, the second

by Lang's Labour group from New South Wales. But it was the determined and unexpected opposition of Lang's New South Wales group towards the end of 1931 which finally wrecked the Government and forced Scullin to dissolve, twelve months before the normal time.

In the previous September, the Nationalist organization had conducted a ballot for the selection of its candidate for the Martin seat. On this occasion, voters were not limited to a few delegates from each Nationalist league, but included every enrolled member of the party within the electorate. In turn, each league was addressed by the candidates, and Holman obtained an absolute majority in every league, the figures being:

Holman, W. A.	1,032
McCall, W. V.	392
Kefford, R. E.	10

As the general election came nearer, Holman's speeches seemed to lose their serenity. He even called in aid the "Russian" bogey to denounce the leaders of a shipping dispute. But he soon regained his poise, and emphasized the need for Australia's developing new forms of primary production to make up for the lag in closer settlement. On several important occasions Holman praised Scullin with discrimination, but justice. Then came the great political crisis in England during which Ramsay MacDonald, followed by only a handful of supporters, allied himself to Baldwin, but retained the post of Prime Minister. When the ensuing elections confirmed this "National" coalition, Holman, welcoming what he called "the triumph of common sense", linked it to Australia's politics in rather startling fashion:

The Nationalist party in Australia would be like the National party in Britain. It must consist of all the elements of the nation of every class and creed, who were convinced that the degradation of our national life must cease. Since the victory of the National Government in Britain, changed trade relations between Australia and Britain were certain. The Labour party was not the party to conduct these negotiations. Mr Scullin and Mr Lang and their followers had shown a bitter antagonism to Britons and Britain. Mr Scullin had refused to bear the cost of the defence of Australia. He had closed down on migration, and had placed heavy duties on British goods. He had refused to take a British Governor-General. From such a body of men it was impossible to expect fair, honest and cordial dealing to make a commercial treaty.³

Late in November, when the surprise dissolution took place, Holman realized that his aspersions on Scullin were hardly justified. "Like all Governments," he said, "the Scullin Government has had its share of undeserved disfavour, but Governments which were to live must be able to rise above these." To face the election crisis the Nationalist Party merged itself with a new group—the "All for Australia League"—and called the brand-new

organization the "United Australia Party". They decided to accept Mr Lyons, who had been a prominent member of the Scullin Cabinet, as the party leader.

At this moment, everything seemed to assure Holman the easiest of successes in Martin. Although the youthful Pratten had lost the seat during the 1929 landslide, the Labour member then elected decided he could not retain the seat and at once sought a safer Labour seat elsewhere. But the powerful anti-Holman forces within Nationalist circles had not abandoned their vendetta. True, Holman had been duly selected, so that he alone was entitled to become the endorsed National candidate. But (so it was argued) this arrangement did not necessarily bind the new U.A.P., although *it* was soon tightly embraced within the framework of the old Nationalist machine. By such plausible argumentation, it was decided that Holman and another candidate, Macartney Abbott—a dangerous rival with some personal prestige—should both be endorsed for Martin as U.A.P. candidates. After Holman's great efforts, this was mortifying. The decision meant that he must strive for first preference votes. He was compelled not only to attack the enemy without, but the rival within his party. Already his preparations for the selection ballot had induced him to abandon a good deal of professional work. In the circumstances, a success at the general election became vital. But Martin was not like his old Cootamundra seat. It included extremely conservative, not to say reactionary, areas as well as centres which were sufficiently radical to make possible the Labour gain of 1929. As the contest gradually resolved itself into a fight between himself and Abbott, Holman made strange appeals for the reactionary vote. He made the amazing proposal that strikes, which were not directly approved by the union concerned, should be penalized by a four years' disfranchisement of each striker. He said:

What trade unionism needs is the fresh air of democracy. The penalty should not be to send the striker to gaol and make a martyr out of him, but simply disfranchise him for four years, rendering him incapable of entering practical politics.⁴

Holman made other reactionary suggestions:

I am in favour of the deportation of agitators of foreign extraction, and the forbidding of any dictation to members of Parliament. I am not in favour of imprisoning those who are guilty. The disfranchisement for a given term, which would disqualify them for candidature for Parliament, would be a sufficient deterrent.⁵

It was apparent that Holman's aim was to prevent his conservative U.A.P. "colleague" from outbidding him in the so-called "silver-tail" areas. So he advocated measures from which in earlier days he would have shrunk with



Low

HOLMAN ON THE POLITICAL STAGE

[Even Low could not resist the temptation to depict Holman as tragedian.]

From the Sydney "Bulletin".

horror, which he would have fought to the death. With indignation, *Labor Daily* editor, E. Dunn retorted:

The Labour renegade and "Alias" party candidate for Martin, tunelessly announces at his meetings that he would disfranchise all unionists who had partaken in an unauthorised strike—and he informs all and sundry that a current of fresh air is needed to blow through union offices generally. Mr Holman's prescription for a deodorant need not be taken seriously, coming from the source it does. But in reply it might be stated that no decent democrat would handle, even with fumigated tongs, this mellifluous gentleman with the pronounced war kink, who is always posturing in the mask of democracy. The disfranchisement of the workman who downed tools without the sanction of Judge Lukin or his counterpart is such a threatening proposal that it must be taken well to heart, coming from a candidate whose prospects of Alias leadership will have to be reckoned with despite the S. M. Bruce stuff from London.

Accordingly, Holman's secret circular, which had played so prominent a part in the defeat of the second conscription referendum in 1917, was disinterred and exhibited to those of the electors of Martin who were interested. On this occasion, however, Holman seemed to gauge the mood of the electors fairly well. For a time every prospect pleased. But suddenly the wheat scandals of 1919 and 1920 were mentioned by speakers supporting the interests of Holman's U.A.P. opponent. This caused a great rally of Holman's old friends. On 15 December, at a special meeting, Sir George Fuller—though he had long retired from active politics—was the principal speaker. He denounced the damaging suggestion as to the wheat scandals, saying: "As his old colleague and deputy-leader, I say emphatically that Mr Holman was absolutely blameless from start to finish in connexion with that transaction."

The intervention of many old colleagues undoubtedly produced a strong revulsion of feeling in Holman's favour. The general election resulted in a U.A.P. landslide, J. A. Lyons becoming Prime Minister of the Commonwealth.

The figures for Martin were as follows:

First Count.

Holman, W. A. (U.A.P.)	26,075
Abbott, Macartney (U.A.P.)	15,741
Hankin, C. H. (Lang Labour)	14,308
Catts, J. H. (Scullin Labour)	7,090

Second Count (after Catts's exclusion and allocation of his second preferences).

Holman	27,013
Hankin	18,909
Abbott	17,292

Third Count (after Abbott's exclusion and allocation of his next preferences).

Holman	41,886
Harkin	21,328
	<hr/>
Majority	20,558
	<hr/>

Thus the final majority in Holman's favour turned out to be a huge one. But it appears from an analysis of the figures that if, on the second count, Abbott had been ahead of Harkin, and the latter's preferences had been counted, Holman would have been beaten. For, owing to his speeches, the printed Labour "tickets" all placed Holman last; so that Abbott would have received the main benefit of their preferences. Thus, in spite of appearances, the manoeuvre of his enemies within the conservative party had nearly succeeded in depriving Holman of the fruits of the victory for which he had fought so strenuously.

CHAPTER LXII

TOWARDS THE END

HOLMAN became a member of the Commonwealth Parliament at the age of sixty. His victory seemed to be ill-starred. Bouts of ill-health followed. His spirits were low. His absence from Sydney to attend the sittings at Canberra adversely affected his legal practice, and the financial anxieties thus caused still further weakened his resistance. Most people had expected him to be included in the new Lyons Cabinet, but he was carefully excluded for far less able men. Australia witnessed the strange spectacle of Holman and Hughes both supporting, as private members, a Government which either of them could have led or opposed with equal skill and perhaps an equal degree of pleasure.

Early in 1932 H. D. McIntosh's bankruptcy captured spectacular headlines in the Press, which published a detailed account of a fierce cross-examination of the bankrupt containing many references to his long association with Holman. Little proof emerged to show that McIntosh had exceeded his legal rights in his many and diverse enterprises; but he was brought into some ridicule and part of it extended to Holman solely because he had been McIntosh's friend and associate. By accident or design, the affair synchronized with Holman's début at Canberra; and his being called as a witness to explain certain matters which were very remote from the bankruptcy inquiry caused unfavourable publicity and no little personal distress.

Holman's maiden speech at Canberra was eagerly awaited. Lang was still in office in New South Wales, but his position was becoming more and more difficult every day. The Commonwealth Government was discharging the New South Wales Government's interest obligations, but Lang declared that, until interest rates were reduced, New South Wales could not, and would not, indemnify the Commonwealth. Accordingly, the Lyons Government proposed a very drastic Enforcement Bill authorizing the Commonwealth Government's seizure of the revenues of New South Wales by compelling the taxpayers and other debtors of that State to pay their debts to officials or institutions nominated by the Commonwealth. These "debtors" even included banks with moneys standing to the credit of trust funds under the control, not of the New South Wales Government, but of leading officers of the New South Wales courts, e.g. the Master in Equity. The Bill was called the Financial Agreements Enforcement Bill, and Holman made his maiden speech on its second reading. He declared that:

We must avoid, not only what is actually unjust, but also anything likely to instil into the minds of a State the fear or doubt that this Parliament is legislating to injure its rights. On that, the majority of hon. members will be at one with the leader of the Opposition. By way of illustrating his points he asked, "Are we not making ourselves accuser and judge in our own cause?" And he strongly deprecated that that should be done or should appear to be done.¹

So far, Holman's speech was critical of the Lyons Government and favourable to Scullin's speech in opposition. But Holman furnished an illustration which was little calculated to appeal to the Labour Party:

Portia's pronouncement in the *Merchant of Venice* that Shylock, though entitled to his pound of flesh, could take no blood, was not, and never has been, good law. The creditor entitled to a pound of flesh is entitled to that which makes up or is incidental to the forfeit. The contention put forward in the *Merchant of Venice* was merely a specious argument.

It is plain that the occasion for Holman's speech made it a difficult venture unless he was determined either to support or attack strongly. For one thing, he made the error of venturing an opinion hostile to the constitutional validity of the measure. This is always a doubtful procedure and, when Lang contested the legality of the measure, although two of the High Court justices endorsed Holman's views, four others rejected them; and, in final courts of appeal, the majority is always right. The High Court's decision led by rapid stages to the dismissal of Lang by Governor Game—although, at this time, Labour held a commanding majority in the Lower House. The leader of the Opposition was granted a dissolution and he triumphed in the ensuing elections. Thus Holman's legal forecast proved incorrect and, from the point of view of political strategy, Lyons's move succeeded far beyond all conservative expectations.

The second mistake of Holman's speech was to analyse the Bill too closely. After all, the great point at issue was whether, in collecting moneys admittedly payable to it by New South Wales, the Commonwealth was justified in completely paralysing the functions of the State Government. The risk was that, under aggressive leadership, New South Wales might have prevailed. Now Holman's sympathies inclined him to support New South Wales, because he detested the method of "putting the bailiff in". On the other hand, he was strongly opposed to anything which savoured of repudiation. No doubt the choice was difficult. But he should have chosen between opposition to and support of the measure. He made the mistake of failing to do one thing or the other. Had he been a younger member, entering politics for the first time, his speech would have been hailed as a splendid achievement because it was carefully prepared, ably presented and closely reasoned. Yet in the fierce

excitement of the moment, it was reckoned as a comparative failure, especially by unsympathetic newspaper proprietors or editors. Holman received little praise from the conservative side, which was in no mood to hear, still less consider, doubts raised as to the legality of an Act which business and financial controllers considered necessary to meet an emergency. On the other hand, neither the Scullin-Labour Party of the Commonwealth, nor the Lang Labour Party of New South Wales was pleased. Thus, the Lang-controlled *Labor Daily* said:

The lobbies whispered that Holman was to speak, that Holman was to condemn, that Holman was to take up the case of New South Wales, that Holman . . . There were full benches when he began, and zest and earnestness in the House—a shadow of impending crisis. Calmly he spoke in the old-remembered intonation—the rounded o's, the incisive i's,—in the plausible half-pleading, half-driving syllables of the man who goes well equipped about his job. But again that lobby spirit was false; and the House, hearing, fell limp as the light of battle died out of its eyes. The great Holman—like W. A. Watt was on a previous historic occasion—was a “fizz”. He was not more than a vote after all.²

But Holman himself realized that the speech had misfired. Undaunted, he was determined to succeed at Canberra. He spent much time in organizing deputations to ministers and promptly attended to the demands or requests of his numerous constituents.

Unfortunately, in 1933, his health became increasingly bad and he underwent a serious operation. The actual operation seems to have been successful. But his general health remained indifferent, and a complete rest was essential before there could be a permanent restoration to health.

Towards the end of 1933, Holman was back in his place in the House, and in November he thoroughly enjoyed himself in an important debate on privilege. The proprietors of the Sydney *Sun* newspaper were adjudged guilty of contempt of Parliament for publishing an article which attacked members for having voted themselves £75 per annum in partial restoration of their old salaries. Subsequently, the directors wrote an explanation of, and an apology for, the offending matter and the House of Representatives debated whether the apology should be treated as ending the matter. *Inter alia*, the article had stated: “The salary grab came as a thief in the night. But why did they creep together at midnight to arrange their salary grab in the furtive fashion of sneaks?”

Holman dealt with the history of Commonwealth legislation as to the allowance to members. He showed that on previous occasions it had been fixed at £1000, but had subsequently been reduced, first to £900, then to £800, and finally to £750. He said:

Those reductions, I remind hon. members, were made by Parliament itself. No angel from Heaven breathed forth a message that the time had come; but we made the sacrifice. Although I was not a member at the time, yet I was a reader, and, I regret to say, a reader of that journal which is being arraigned in this chamber today. When the reductions were made, there was no scurrying around Sydney by newspaper reporters to interview leading citizens for the purpose of obtaining their opinion upon what had been done. The reporters did not say to those leading citizens, "Look what these self-sacrificing, high-minded and noble-principled members of ours have been doing. They have cut down their own salaries by £100. What do you think of that?" We did not hear that the gentlemen addressed by the emissaries of the press fell into raptures of admiration and astonishment at the news.³

Holman's indignation had been aroused by the unfairness of the criticism, for as wool prices rose again, general financial conditions had improved almost automatically, and analogous restorations were being made for the benefit of all other classes affected by the financial emergency "cuts". He further said:

I venture the opinion, from long experience of journalistic practice, that very few of the articles of which we have reason to complain were written by the pressmen whom we meet daily in this building, or see in the gallery of the House. Those who meet Parliament usually respect Parliament; but it is from offices in Sydney, as from a reservoir of defamation that is connected with a reticulation system extending throughout the whole of the State, that these attacks emanate. Hon. members have all expressed their indignation at the mendacity which has been called forth on this occasion. I confess that while I share in their indignation, I am also surprised. I thought that I had plumbed the lowest depths of libellous infamy in days gone by, but I have never before seen anything to equal the statements which have been published on this occasion.

After the letter of explanation had been read to the House, Holman said that he was "utterly unable to accept it as an adequate apology". "I submit," he said, "that this matter should not stop here, and that this excuse should be accepted not as something ending the incident, but rather as something enlarging it, carrying it to greater lengths." In spite of this invective, the party discipline was such that, within the hour, Holman had to vote for the Government proposal which was, in effect, that the withdrawal in the letter should be accepted and no further action taken.

This apparent *volte-face* did not injure him at Canberra, where his speech was universally regarded as of great force and eloquence. He was making ground rapidly, and in spite of his apparent disability, he intervened frequently in debate. Thus he strongly opposed the imposition of a sales tax on

flour, even though the object of the tax was to subsidize wheat farmers who were, at the time, in an impoverished condition.

By now the physical appearance of Holman had changed grievously. He had an old man's stoop almost inconceivable to those who recalled the brilliant fencer of earlier years. The lines of his face were etched in deep gullies, and his hair, once dark, curly and thick, even when surmounted by the extending tonsure, was becoming thin, grey and scanty. The eyes, once piercing and bright, always calm and confident, were now sunken and harassed; the full mobile mouth was often tightened into expressions of pain. Now it was vital that he should have a complete holiday. All he did was to venture upon a short Pacific trip. He was able to write back:

I have, I think, sunbaked out of me that lingering cold which has been my principal curse for a couple of months. On the other hand, I haven't seen an edible dish since I left Sydney, and have oscillated between indigestion and starvation. I include tonight's meal in this.

On his return to Australia early in 1934, Holman seemed for a moment to rally his resources. But the cough returned and would not be gone. He suffered from insomnia, causing an acute nervous exhaustion. At the opening of the Law Sittings in February 1934, his appearance shocked his friends, and there was no one who did not wish to be called his friend. Yet, instead of closing down on all work for twelve months or more, he attended chambers, and thinking the iron will would overcome the bodily weakness, he overstrained himself in certain legal encounters. The Commonwealth's general election was due late in 1934. Unfortunately for Holman's peace of mind, there was to be a redistribution of boundaries, and it was believed that the new area to be allocated to Martin might remove it from the category of a safe into that of a dangerous seat. This possibility was very alarming and would involve him in considerable additional expense. He still hoped to acquire ministerial office during the existing Parliament, and this might have helped his financial position considerably. It was not to be. On 5 June 1934 he had a very severe haemorrhage following upon a difficult tooth extraction. He had insufficient reserves of strength to combat the resulting shock and died peacefully on the following morning at his beloved Gordon home and in his wife's presence. The trumpet's silver sound was still.

CHAPTER LXIII.

JUDGMENT

CLOSE study of the public career and varied activities of William Arthur Holman shows that he was a statesman of great gifts, was, in some respects, possessed of genius. His early pioneering work for the Labour movement was done under almost every imaginable handicap. Endowed with great intellectual capacity, there is little doubt that he had at command, not only a brilliant career at the Bar, but high public office with the governing classes of the day. He never had deliberately to choose between such rewards and the hardships and unremitting toil which were his lot because, at a very early age, being intellectually convinced of the validity of socialism, he was also satisfied that he could at one and the same time fulfil noble ambition and play a great part in organizing a radical socialist party for the benefit of the people of Australia.

From the early nineties when his choice was finally made, the two outstanding figures of the Labour movement were Holman and W. M. Hughes. There were great contrasts between them, but there were also great similarities. Each was sincere, each was ambitious, each was endowed with the priceless gift of eloquent persuasion. In each case, the technical equipment of the lawyer was acquired long after practical parliamentary and political experience had been gained. Perhaps for that reason both escaped the handicap of too forensic a style, the tendency to minute quibbling, and the lawyer's frequent failure to appreciate that the main function of a parliamentary speaker is not to explain what is, but to describe what ought to be. But in Holman's case, his legal training had beneficial effects. It checked an earlier tendency to violence of assertion in intra-party disputes, which was to some extent the outward sign of a natural shyness which he overcame only by sheer power of will. From the point of view of pure intellect, Holman seemed more finely endowed than Hughes. Yet Hughes's talents were incalculable, and his strength often lay in concealing intellectual prowess and so making his addresses more receptive by popular assemblies. Hughes's great facility in analogy and illustration proved his possession of the rarest gift of all—a vivid imagination. Holman, also possessed that priceless gift, but in smaller measure. However, in his great speeches, in spite of the charm of manner and form, the substance was always more important. For a long time, the notion that Holman was a mere orator was widespread. Nothing could be more misleading. On almost every occasion when preparation was desirable, he prepared his material with care and elaboration, though never at any time

did he resort to the expedient of reading out his speech. He always assimilated his material until it became his own. When the time came to speak, his notes were confined to a page or two. He was always able to couch his ideas in the most attractive form.

In his speeches, Holman seemed at times to be lacking in moral indignation. But he was gentler than Hughes. He had suffered more. He was hardly capable of delivering the philippics which Hughes thundered on the occasion of Deakin's coalition with Joseph Cook. Thus Holman never quite reached the high pitch of great invective, for he always retained some degree of sympathy with the victim of his attack. It may fairly be said that Holman never attacked on personal grounds except when the attack was essential to self-defence. For he had an abiding compassion, not for the mass as an abstraction, but for each individual member of it.

For nearly a generation, the careers of these two remarkable men reacted upon and intertwined with each other. In 1908 Holman's opinion as to the just and proper constitutional relationship between the Commonwealth and the States prevailed at the Brisbane Labour Conference. At that moment it was anticipated that the Labour Party would attain office in New South Wales before it could do so in the Commonwealth sphere. Such, at any rate, was Holman's expectation. But, with great prescience, Hughes seized the occasion of the Cook-Deakin fusion to make a great bid for power on the part of the Federal Labour Party. The result was that in the race for office Hughes beat Holman, as it were, on the post. With majorities in both Federal Houses, Hughes exercised great power, although Andrew Fisher was still leader and Prime Minister. Eager for more power, not merely for himself, but for the party which he believed to be the most effective instrument for achieving desirable political and social reform, Hughes proposed a great transfer of constitutional power from the States to the Commonwealth. By that time, however, Holman had become the leading member of the New South Wales Government. All his inclinations and beliefs were opposed to Hughes's scheme. As a result, from 1911 to 1913, the Labour movement of Australia was convulsed by a series of disputes and disturbances, victories and defeats, in which these two men were the principal protagonists. In New South Wales, Labour sentiment swung back to Holman's side as Fisher and Hughes were forced into opposition after the Federal elections of 1913. When, after brilliant manoeuvres, Holman succeeded in rescuing the State party from a condition approaching hopelessness, and in guiding it to a great electoral victory in December 1913, it seemed as if Holman's star rather than Hughes's was to be permanently in the ascendant in the Labour movement. But a curious accident intervened. Joseph Cook's ill-timed device of a double dissolution delivered him into the hands of Hughes, who was restored to office in the Commonwealth and subsequently invested, with almost

dictatorial authority as a result of the Great War and the High Court's wide interpretation of the Commonwealth's defence powers. With social reform pushed into the background, temporarily at least, it might have been expected that Holman would be the protagonist of pacifism, as during the exciting days of the Boer War. But, always a lover of France, he believed fervently in the entente and threw himself heart and soul into helping the cause of Britain and France. He struck as thrilling a note of patriotism as Hughes himself.

On their separate but frequently converging paths, Holman half admired and half distrusted Hughes, half loved and half hated him. But, on the supreme issue of war, he thought he was bound to follow. Unfortunately for both, and unfortunately for the Labour movement, both the leaders were misled by others when the issue of conscription for oversea service was raised. Australia had performed brilliantly in the war, and a very careful analysis of the recruiting figures would have shown conclusively that it was impossible to comply with the limitless demands of the British War Council. But as the errors could not be exposed, the conscription issue was pressed to finality. The serious consequences to the political life of Australia could no longer be controlled. There was bitterness, resentment, division and finally separation.

It was tragic that Holman, in spite of his most unequivocal asseverations of perpetual loyalty, found himself leading a coalition which included Labour's political enemies. A thousand other courses were open, any one of which would have been better for the Labour movement, better for Holman personally, and better for the unity of a people which had already made a great war effort. His subsequent rationalization was that the Labour Party had acted oppressively, unlawfully and ungratefully. Yet, over the great Upper House issue, the Labour movement had displayed forbearance and patience, despite delays which were almost inexplicable, and in face of a gradual lowering of established wage standards. Up to a point, Holman could reasonably justify, or at least excuse, everything, even his failure to investigate the facts and the inferences upon which the demand for oversea conscription was based. In fairness, it may also be said that the Labour organizations acted both unwisely and precipitately in making conscription an ultimate issue and in taking no conciliatory step after the conscription plans were rejected. Holman blamed Hughes's referendum tactics of 1911 for having suggested to Labour conferences and executives the possibility of violent disciplinary measures for actions which were not expressly forbidden by the terms of the existing party platform. But the truth was that in the great solidarity crisis of the nineties, both Hughes and Holman had forged a sharp weapon which was thereafter available whenever there arose disputes which were not readily settled by the express wording of Labour's platform.

The conscription issue need not have been allowed to become the founda-

tion of a new anti-Labour organization, trebly dangerous because permanent. It was Holman who first took the fateful step; it was only as a last resort that Hughes followed his example. The marvel was that, for a time, both of them appeared to have liberalized to a substantial extent the conservative forces with which they had become united; after these coalitions, few anti-Labour leaders dared even to suggest the repeal of Labour legislation which they had bitterly opposed. If they did, they were usually thrown out of office. Sometimes the coalitions competed with official Labour in advocating radical social and economic reforms.

Though the manner of their fall was not similar, both Holman and Hughes lost power because of the skilful organization of Country Party groups which weakened both Nationalist and Labour parties and compelled the former to yield vital concessions in return for support. Holman's downfall was hastened by administrative scandals which were magnified more by his conservative allies than by his Labour foes. Instead of removing from office negligent colleagues in whose personal honesty he firmly believed, he fought for them until it was too late to ask the public to differentiate their position from his own. In the result, not only did he fall from power before Hughes, but he also lost his seat in Parliament and the chance of an early return to power. Afterwards Holman and Hughes crossed swords once more, and although Hughes then appeared to be victor, Holman derived some personal consolation from the defeat of Nationalist leaders whom he had distrusted and disliked. Strangest perhaps of all, both were, at the moment of Holman's death, ordinary members of a Federal Parliament in which they were pre-eminently its two greatest figures.

A socialist by intellectual convictions, Holman first regarded Labour's political machine as a means for achieving socialist ends. As time went on, the tendency was to regard the means as a separate and independent end in itself. If, as was said in criticism, he was over-trustful of colleagues and comrades, what popular leader could, without trustfulness, achieve what he did? The leader who suspects all his friends and supporters can never reach the greatest heights. Perhaps Holman was too ambitious. But little can be done in the absence of that noble ambition which truly seeks to serve the people, although convinced that the way of service is also the way of personal achievement and supremacy.

Holman's loyalty knew few limits, but, as he grew older, he became more loyal to persons than to ideals. He was loyal to Parliament, not as a form or an abstraction, but because, knowing the character and ability of the men who comprised it, he courageously insisted upon a due public recognition of their services, and incidentally upon their adequate remuneration. If he was ~~ever~~ loyal to the workers, it was solely because his manner of life had gradually separated him from them. Some of Holman's trouble with news-

papers was due to the fact that several leading proprietors and journalists were jealous of him.

Whilst avowing an intense devotion to "democracy", "liberty", "parliamentary government", and other abstract phrases, some newspapers fall into the contradiction of sneering at the individual members of Parliament. Holman could never be silent when he considered that the representatives of the people were being unfairly attacked or humiliated. This rare chivalry and generosity made him the idol of members of Parliament, whatever political doctrines they had espoused.

Realizing to the full the exhausting demands of the New South Wales premiership, Holman was the first Premier to provide the office with a highly trained technical staff which became adept at answering the special calls of the position. Largely through his co-operation a small secretariat was developed into a great department of State, organized by two very able public servants—E. B. Harkness and Clifford Hay.

Following the phrase of Métin, the French observer, it became usual to refer to Australia's policy of extending the functions of State and municipality as the policy of socialism "*without* doctrines". But, in Holman's view, Labour's policy was a conscious if gradual employment of selected means with an objective that was theoretical and doctrinal as well as practical and efficient. The socialist ideal had to be pursued in space and time. Because of popular control, he always regarded a catastrophic solution as being quite out of the question. Obviously, however, too great an emphasis on the gradualness of the process might impede all advance. The rate of political and economic change is dependent upon human agencies; and postponement is often the line of least resistance but the most dangerous counsel. Thus, in a socialist party, it is discovered that too frequent a resort to temporary expedients may push the ultimate goal further away. In Australia the desire of Labour to avoid a split in the ranks on the "fiscal issue" led imperceptibly to its acceptance of revenue tariffs which had no protective effect whatever, and even of excise or sales taxes upon necessities, casting upon the working classes an almost intolerable burden. Again, while the device of compulsory arbitration in Labour disputes was a sounder alternative to utterly hopeless strikes, the device soon came to be regarded as the sole and exclusive means of trade union organization in all industries and trades. The next step was that Labour politicians too easily denounced workers who were sceptical of the fairness of industrial tribunals and who disliked to surrender the strike—their most valuable weapon. Students of the history of industrial arbitration know that it was not originally intended that the price to the workers of compulsory arbitration had to be absolute abandonment of the strike; but this theory came to be accepted. Again, Labour made a tremendous onslaught upon trusts, combines and monopolies long before they had

assumed the dimensions, the power and the menace of later days. Because these early attacks were easily repulsed, Labour too readily accepted the thesis that trusts, combines and monopolies can never be attacked successfully.

Some of these examples would suggest that, in Australian Labour's history, too little of socialist doctrine was quite as dangerous as too much. For leaders like Holman, a choice was difficult. Political victory would be prejudiced if the cry of "Red" or "Socialist" or "Extremist" could be used to frighten the middle-class voter; on the other hand, the workers might lose faith in political Labour if opportunism and expediency replaced firm adherence to important socialist objectives. Holman had to face other dilemmas. At the first stage of his public career he tended to regard the Labour member of Parliament as merely the instrument of the party machine; later he tended to regard him as almost entitled to immunity from strong criticism at the hands of the rank and file whose sacrifices had made possible his entry into Parliament.

When Holman achieved his greatest successes as Labour leader, there was little of the modern concentration of capital, finance or industry. Financial and industrial interests and importing and manufacturing groups often waged fiercer contests against each other than against political Labour. At a later period Holman himself began to create a very efficient anti-Labour organization which helped to smooth out all conflicts between divergent employer interests. As time went on, it sought to regiment the powerful corporation, whatever its trade, the newspaper, the advertiser, the moving picture and the broadcast, all in the interests of "the common cause". It reorganized financial control; did not overlook the honour list; it made use of the gentle art of the gerrymandered electorate and the whitewashing commission of inquiry; it employed to the best party advantage the compulsory vote and the postal vote, and, greatly daring, sometimes defied openly the democratic safeguard of one vote one value.

Up to 1920, when Holman went out of State politics, the organization of anti-Labour groups was more spasmodic than efficient. For as yet, in Australia, the massing of capital interests was just beginning; the holding company was little known; sugar, tobacco, and shipping alone were assailed; steel was just on the way; trusts combines and monopolies existed but all seemed to have some redeeming features. It is this which explains why Holman's experiments in using the State itself for the purpose of excluding or reducing the element of private profit in production or distribution, were actually supported by many of the Liberals who joined him in the Nationalist coalition of 1916-20. In later years, the conservative machine was not so casual or so shortsighted; the possibilities of rigid control became better recognized, and the very successful State undertakings organized by Holman and Griffith had to be sold "as a matter of policy". As these State undertakings

embodied Holman's chief contribution to the development of socialist practice, it might possibly be inferred that their sale marked his failure. The wise historian may draw a different conclusion. It may be suggested that the real fight for the more active functioning of the State and the municipality in manufacture and production has hardly commenced.

Holman's defeat in the Martin pre-selection for the Nationalist endorsement shows that, like Hughes, he was suspected by the newer generation of conservatives. They did not speak his language, still less think his thoughts. By this time, Holman's spiritual home was elsewhere. Herein lay the tragedy of his public life. He had planned and partly executed a policy for the material and cultural development of the State. He had stimulated trade and production through radical reform of the State's monopoly of railway transport. He was largely responsible for the re-planning of the great city of Sydney. He had effected revolutionary changes in the State's education policy. He had greatly improved wage standards, especially where trade union organization had been weak. Then came the critical days of the war of 1914-18, which seized firm hold of his imagination.

That the conscription referendum should have caused his break with Labour is easily understood. That the break should have been final is amazing; for opposition to compulsory military service had never been an essential feature of socialist or Labour policy in Australia. In England, Labour leaders differed on conscription but joined forces again when the days of war were over. In Holman's case, powerful influences on either side took care to widen the gap until reunion was rendered almost impossible.

On the other hand, Holman's self-comforting theory that his six years' attempt from 1910 to 1916 to work out a great socialist planning was frustrated solely by the unreasonable interference of conferences, executives and trade unions, will not bear analysis. Indeed he only put forward this naïve explanation during the short period when he was preparing his written *apologia pro vita sua*. He well knew that there were many faults and errors on his own side.

Holman belonged to the age which suddenly ended in August 1914. The smaller Sydney of those serene pre-war days knew and liked him well, just as the greater Sydney of today passes everyone by and hurries on. The old Sydney knew and was proud of Holman's splendid career. Ever the champion of the weak against the strong, his courageous speeches during the Boer War had toned down the more blatant jingoism of the professional patriot. With Hughes and others he succeeded in forcing amendment to the undemocratic portions of the Federation Bill and helped to add valuable popular safeguards. Unhelped by power of money or influence, Holman possessed great courage, a first-class brain, an endless capacity for hard work, a physical appearance, a magnificent speaking voice, and above all, a compas-

sionate heart. When misfortune befell him through the rank injustice of the *Daily Post* case, his quick recovery of poise was magnificent. His effort in matriculating and qualifying for the Bar deserved high praise. A believer in Home Rule for Ireland, he never failed to respond to calls for help; and they were many. Nominally Anglican, but in practice something of an agnostic, he regarded some Catholic claims as just, and was fearless in pressing for them, though there, too, he was the victim of ingratitude. In those days he had a small parliamentary allowance, a useful income from the Bar, a great job of organization and propaganda; yet he had time to browse for books in the socialist book-store of Bertha McNamara, and to share with his brilliant wife the delights of a Paris House dinner, a symphony concert or a rare visit to the theatre—those were the days of Holman's happiness and romance.

At length came office, and with it, power, prestige and much actual achievement; but the gradual change in his manner of living tended to separate him from many of his old socialist friends. His new friends were friends of his prosperity, far less disinterested. He became more susceptible to flattery, sometimes regarded elaborate entertainment as conclusive evidence of goodwill.

This social change, unimportant as it may seem, made it far too easy for him to accept the break in political associations which had endured for a quarter of a century. Yet, by the break, he gave up almost everything worth having. He was amazed and perplexed when his new allies failed to realize what he had lost. To them it was simply the old, old story of the Leftist turned Right. This explains the especial depth of Holman's indignation when a section of the Nationalist Press attacked him personally although he was no longer Labour's leader. He knew the extent of his personal sacrifice. He assumed that recognition of the fact would be universal. He was soon undeceived. While he was Labour's Premier he had made the profound mistake of dealing with serious slanders merely by denial or a counter-attack. Had he prosecuted libel actions to finality, unfair criticism would seldom have been repeated. He believed that Labour politicians would receive little consideration from judges and juries, an opinion shared by other Labour leaders with equally disastrous results. Regarded in the aggregate, the Press attacks between 1910 and 1920 upon Holman and his party, whether Labour or Nationalist, were not justified. There were, of course, a few occasions on which strong criticism was called for. Unfortunately he submitted to abuse and vilification which seemed to be employed solely to injure his personal and political prestige.

After a pause in 1917—merely for the period of the general election—the attacks of the Press recommenced, although Holman was no longer on Labour's side. Again he replied only by way of counter-attack. Systematic detamation continued until 1920, when, at long last, he insisted on pursuing

a libel action to the end, and achieved a personal triumph. By that time it was too late. He was out of office and out of Parliament.

In a moment of profound pessimism, Professor Gordon Childe declared, "The (Australian) Labour Party, starting with a band of inspired socialists, degenerated into a vast machine for capturing political power, but did not know how to use that power when obtained, except for the benefit of individuals."¹

Childe takes Holman as a pointed example of the tendency he was describing. It is true that Holman, organizing for years to obtain political power, necessarily became something of a "gradualist". But it is quite wrong to infer that in his case political power was used for personal ends. The contrary is established by a fair analysis of his relation to the course of Labour's legislation. In Australia, moreover, many impediments to socialist planning were created by the Federal system and by the long entrenched Upper Houses of the States which always restricted the legislation of Labour, as distinct from anti-Labour Governments, to matters specifically covered by electoral mandate.

It is just to add that, during the period when the control of Labour's party machine tightened, Holman raised little objection so long as he was the director of the machine. More and more he tended to regard his personal opinions on tactics (as well as on policy) as basic tenets of the whole Labour organization. If a contradiction arose, he concluded too easily that the organization was wrong. The problem was not a new one. In one aspect it was the problem of dictatorship. In another it was a sacrifice to expediency in the pursuit of a noble idea. On occasions, there had to be compromise, even with mammon; but as occasions were multiplied, there came

. . . . the gradual day
Weakening the will
Leaking the brightness away,
The lack of good to touch
The fading of body and soul
Like smoke before wind
Corrupt, unsubstantial.

But it is erroneous to draw the inference that in political life the ideal must always be abandoned, that, by some immutable law, disillusionment is universal, absolute and certain. If social-democratic emphasis upon the "inevitability of gradualness" is wrong, more drastic expedients seem doomed to the "gradualness of inevitability". Serious conflict is certain, as to policy as well as to method. But disinterestedness and idealism need not disappear. They can and must be renewed and re-invigorated by constant and ~~continuous~~ contact with the people, the true rank and file. Then the self-seeking adviser

can be relegated to a position where he can no longer advise, the material and physical needs of the leader can be satisfied without resort to dangerous devices, the natural ambition of individuals can be encouraged by recognition as well as restrained by discipline; though if discipline is applied without entire disinterestedness, corruption may follow. In 1916, when the Labour executive expelled Holman and Hughes, it entered upon a long era of powerlessness and futile opposition. It should have foreseen some of the disastrous consequences of life-long expulsion. But the two leaders should also have foreseen the consequences to Labour and to Australia. In truth there was an intermingling of passion and sentiment, of jealousy and resentment. The spirit of disinterestedness was absent.

Political Labour's struggle towards socialism is dependent upon Mill's hypothesis that mankind shall "continue to improve". At times the condition seems to be impossible of achievement. Then black despair suggests that the struggle for humankind avails naught. But victory may be at hand if only courageous leadership and loyal devotion both remain.

When many thousands of the workers of Sydney stood in silent and final homage as the body of their lost leader was carried away from them, it was too late to recall errors of the past, to seek or give pardon. But on that day, at that moment, it was apparent to every one who could think, feel and sympathize, that the life and work of one leader at least had realized part of a noble ideal. If so, in spite of deep sorrow and bitter regret, hope and determination might be renewed. His life and work had bequeathed

Some brightness to hold in trust
Some final innocence
To save from dust;
That, hanging solid,
Would dangle through all
Like the created poem,
Or the dazzling crystal.

Such a bequest should impel Australians to "gather up the gentle spirit of the dead . . . speak more softly afterwards in the face of other things".

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